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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT No. 57

HON. PAUL G. BRECKENRIDGE, JR., JUDGE

CHURCH OF SCIENTOLOGY OF
CALIFORNIA, INC.,

Plaintiff,

vs.

GERALD ARMSTRONG,

Defendant.

MARY SUE HUBBARD,

Intervenor.

No. C 420 153

REPORTERS' DAILY TRANSCRIPT

Monday, May 21, 1984

VOLUME 16

Pages 2521 - 2661, incl.

APPEARANCES:

(SEE VOLUME 15)

COPY

NANCY HARRIS, CSR #644
HERBERT CANNON, CSR #1923
Official Reporters

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		P.M.	2592

WITNESS

DEFENSE:

CROSS

ARMSTRONG, Gerald
 (resumed)
 (resumed)

2523-H
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EXHIBITS

PLAINTIFF'S:

FOR IDENTIFICATION

40 - one-page document, Flag order No. 2105	2523
41 - Sea Org document 5-3-71 "Orders of the Day"	2523
42 - Sea Org document 8-10-71 "Orders of the Day"	2523
43 - Group of documents on OTC, 23 pages	2527
44 - Copy of certification and Contract No. 522, 2-13-68, 12 pages	2529
45 - Certified copies of exhibits 260 and 261 in U.S. Tax Court case No. 3352-78	2531
46 - Sea Org document "Flag Administration Organization Student Examination Routing Form"	2533
47 - HCO policy letter "Understanding Corporate Integrity" 4-23-73	2534
48 - 4-page affidavit of G. Armstrong 4-12-80	2537
49 - HCO Bulletin 2-10-60	2548
50 - Sea Org document 2-7-74 RPF O/W & SEC Checking Courses	2553
51 - HCO policy letter 10-14-68 Auditor's Code AD 18	2557

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54 - Church of Scientology of California disbursement vouchers, 9 pages	2564
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57 - The Background and Ceremonies of the Church of Scientology of California	2633
58 - 1 page from Auditor's Worldwide #13, Philosophy Wins After 2000 Years.	2635
59 - Auditor's Worldwide #13 special re-issue	2635
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62 - Copy of document, Duplicate of #175	2649
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1 Los Angeles, California; Monday, May 21, 1984; 9:45 a.m.

2 ----0----

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4 THE COURT: Very well, we are back in session.
5 Mr. Armstrong, you may retake the stand.

6
7 GERALD ARMSTRONG,
8 the witness on the stand at the time of adjournment, having
9 been previously sworn, resumed the stand and testified further
10 as follows:

11 THE COURT: Just state your name again for the record,
12 sir. You are still under oath.

13 THE WITNESS: Gerald Armstrong.

14 THE COURT: You may continue, Mr. Harris.

15 MR. HARRIS: Yes, thank you, Your Honor.

16 First, I'd like to straighten up something in
17 the daily transcript. I happened to be looking through
18 over the weekend Friday's transcript, page 2495.

19 I was asking Mr. Armstrong about periods of
20 time -- about talking to Laurel Sullivan about periods of
21 time when she could be openly a Scientologist and periods
22 of times when she couldn't, and I am referring to lines 20
23 through 22 in particular. Mr. Flynn says out of the blue,
24 "This is out of Laurel Sullivan's PC files, Your Honor?"

25 And I am purported to answer, "Partly,
26 Mr. Flynn."

27 In truth and in fact, I said, "Hardly,
28 Mr. Flynn."

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THE COURT: I think that is correct.

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MR. FLYNN: I think that is correct, too.

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THE COURT: We will order that it be corrected.

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1 MR. FLYNN: No; it is correct that Mr. Harris said what
2 he said, not --

3 MR. HARRIS: Your Honor, I have an exhibit which is
4 entitled "Sea Organization Contract of Employment.
5 Confidential."

6 May it be marked Plaintiff's next in order? I
7 believe it would be 40.

8 THE COURT: 40 for identification.

9
10 CROSS-EXAMINATION (RESUMED)

11 BY MR. HARRIS:

12 Q Mr. Armstrong, I'm going to show you what has
13 been marked exhibit 40 for identification; the names have
14 been blocked out, but does that appear to be the form of the
15 Sea Org contract that you signed?

16 A It appears to be.

17 Q Now, while you were on board the ship you
18 indicated that you received what was called orders of the
19 day which was the daily news letter and orders in respect
20 to the ship; is that correct?

21 A Yes.

22 MR. HARRIS: I have a document entitled "Sea
23 Organization" dated 3 May, 1971; Your Honor, may that be
24 marked exhibit 41?

25 THE COURT: Yes, it may.

26 MR. HARRIS: And similarly, I have one dated 10 August,
27 1971; may that be marked exhibit 42?

28 THE COURT: Yes.

1 Q BY MR. HARRIS: Now, Mr. Armstrong, I gave your
2 counsel all of these items this morning; have you had a chance
3 to look at these?

4 A I have seen that they are there. I have not had
5 a chance to go through them in any detail.

6 Q By the way, while you have been on cross-
7 examination have you been conferring with Mr. Flynn about
8 your cross-examination?

9 A Do you mean while I am sitting up here?

10 Q No; on breaks, like on the weekend, at nights,
11 coffee breaks and the like.

12 A Mr. Flynn and I do talk.

13 Q About your cross-examination?

14 A I think even that has come up.

15 Q Would you look at exhibit 41 and exhibit 42 and
16 tell me if you recognize those as items that you received
17 aboard the ship?

18 A Yes.

19 Q And in each of them you are mentioned as doing
20 very well; is that correct?

21 A In each of these documents?

22 Q Yes, exhibits 41 and 42.

23 A Let me just check here.

24 Q Well, let's do it this way --

25 MR. FLYNN: Your Honor, this is symptomatic of the
26 entire problem. They have taken two days out of four years.

27 THE COURT: Let them do their two days. I don't want
28 to get into the other 1,500 days. Let's see what happens

1 on these two days.

2 Q BY MR. HARRIS: Look on exhibit 41 on the sixth
3 page, item No. 15; do you see that?

4 A Yes.

5 Q Commendable to you, the ship's driver?

6 A Yes.

7 Q On exhibit 42, page 5, item 16?

8 A Yes.

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1 Q And on page 6 of exhibit 42 at item 23, you are
2 telling people what your schedule is and so on?

3 A Yeah.

4 Q Now, it says, "mission firings"; what is that?

5 A Is it in this --

6 Q Yes, "mission firings, Telex runs" et cetera.

7 A Okay.

8 Q What is a "firing"?

9 A Missionaires were briefed on board the ship and
10 sent out to various ports internationally from the ship, and
11 the sending off was called the firing.

12 Q Please turn to page 4 of exhibit 42 under "ethics"
13 and directing your attention to paragraphs 10 and 11; you
14 see those?

15 A Yes.

16 Q The first one, "Bob Prior, having successfully
17 applied the liability formula is upgraded to nonexistence."
18 Did you understand that when you read it on the
19 ship?

20 A Yes.

21 Q And do you understand it now?

22 A To some degree, yes.

23 Q And No. 11, "Morton Smithberg, having applied
24 the treason formula, is upgraded to enemy."

25 A Yes.

26 Q These are conditions in the Scientology ethic
27 system; is that correct?

28 A Yes.

1 Q Treason being below enemy?

2 A It depends where you are.

3 MR. HARRIS: I have a package of documents, Your Honor
4 affixed with a paper clip entitled "Operation and Transport
5 Corporation, Limited." May that be marked exhibit 43?

6 THE COURT: Yes, exhibit 43.

7 Q BY MR. HARRIS: Would you look at that and see
8 if you can identify your handwriting on that.

9 Have you looked at that exhibit now?

10 A Yes.

11 Q Do you recognize the exhibit?

12 A I have seen such documents before. Appears to
13 be my initials at various points on it authorizing payment.
14 I couldn't tell you the particular incident, but I do
15 recognize this type of document, yes.

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1 Q The second from the last item in the packet is a
2 bill from a marine surveyor; do you note that?

3 A Yes.

4 Q As ship's rep, did you have responsibility for
5 assuring that the surveyor inspected the ship for safety?
6 Yes or no.

7 MR. FLYNN: As a yacht, or as a passenger vessel?

8 THE COURT: If you know, you can so state, if you don't,
9 you can so state.

10 THE WITNESS: I don't recall if I had this particular
11 one or if it was my job at that time.

12 There was one done that was arranged by Norman
13 Starkey who was then the captain of the ship. We did meet
14 regarding getting such a thing done.

15 Q BY MR. HARRIS: In fact, you knew more than one
16 inspection, did you not?

17 A Yes.

18 Q And in your ship's rep function, one of the things
19 that you needed to present to the port authorities was a
20 SOLAS Inspection; right?

21 A No.

22 Q When you went on mission to secure safe ports,
23 wasn't it a fact that you took the latest SOLAS Inspection
24 report with you into those ports? Yes or no.

25 A I took it. It was not a necessary thing. It was
26 a PR gimmick.

27 Q A PR gimmick?

28 A Yes.

1 Q You didn't show it to anybody for the purpose of
2 assuring that the ship was in safe condition in their port; is
3 that correct? Yes or no, Mr. Armstrong?

4 A Well, then, no.

5 Q It was the case, was it not, Mr. Armstrong, that
6 you were a crew member of the ship?

7 A Yes.

8 Q And you learned various posts aboard the ship that
9 had to do with sailing the ship?

10 A Yes.

11 Q And you were listed as crew aboard the ship?

12 A When you say "you," you mean everyone?

13 Q You, Mr. Armstrong.

14 A Yes.

15 Q Were you aware, Mr. Armstrong, that the Church
16 of Scientology of California was paying the bills incurred by
17 OTC?

18 A I heard something to that effect many years later,
19 approximately about 11 years later.

20 MR. HARRIS: I have a document, Your Honor; may it be
21 marked exhibit 44? It is from the Republic of Panama, the
22 Provincial Court of Panama.

23 THE COURT: Yes. It will be marked 44.

24 Did you want this original back, Mr. Harris, or
25 did you want this marked?

26 MR. HARRIS: We can substitute it, Your Honor.

27 THE COURT: I'll return it to you, then.

28 Q BY MR. HARRIS: In the port captain's --

1 let me give Your Honor this one. It is already marked with a
2 "43."

3 Q In the port captain's office or in the ship's
4 rep's office were the Articles of Incorporation of OTC, I
5 believe you said, Mr. Armstrong.

6 A Yes.

7 Q Do you recognize exhibit 44 as the articles that
8 you saw when you were in that office?

9 A Yes.

10 Q Do you recognize exhibit 44 as the articles that
11 you saw when you were in that office?

12 A I believe so.

13 Q Now, you also stted, as I recall, that there was
14 some information on shares that were kept in the port
15 captain's office file that you saw; right?

16 A Yes.

17 Q Shares of OTC?

18 A Well, there were some stock certificates there.
19 And I don't recall if they were OTS or OTC.

20 I do recall this note here on whatever page this
21 is of the 98 1 and 1 stocks.

22 Q And I take it while you were observing these
23 corporate documents in the port captain's office, that you were
24 doing this for a reason; right?

25 A That I was doing which with them there?

26 Q Observing these items.

27 A I don't recall if there was a particular reason
28 other than the fact that I saw the documents; they were in the

1 files; they predated my time there.

2 I was not sent there to look at them for some
3 particular reason, but I did see them.

4 Q Did you take the articles of incorporation of
5 OTC with you as ship's rep or port captain to assure safe
6 ports?

7 A I don't know if we ever took the articles. We
8 may have.

9 But it would have been the registration of the
10 ship, I believe, that -- if we took a document representing
11 the legality of the ship or who owned it.

12 This type of information was not given out
13 mainly because it showed that Mr. Hubbard had control.

14 Q Now, Mr. Armstrong, you saw some share certificates
15 in the name of Mr. Hubbard; did you?

16 A I --

17 Q Yes or no.

18 A I can't tell you that for sure.

19 Q I'm going to show you some original documents --
20 Your Honor, may they be marked exhibit 45?

21 THE COURT: All right. 45.

22 Q BY MR. HARRIS: I am actually marking a certified
23 copy, but I want to show you, Mr. Armstrong, the originals.

24 Did you see the OTC stock book and stock register
25 in the port captain's office?

26 A I don't know if I saw these. It may have been
27 the OTS ones; it could have been if it was there.

28 Q In other words, you don't know if you saw it or

1 not?

2 If I could substitute the originals for a copy,
3 Your Honor, this has been collectively marked exhibit 45 and
4 contains the stock register and it contains the whole book of
5 stock certificates.

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1 THE COURT: As long as Mr. Flynn will have an opportunity
2 to review it.

3 MR. HARRIS: Sure. He has a whole copy and he is welcome
4 to look at the original if he chooses.

5 Q Mr. Armstrong, were you involved in any of the
6 accounting for Operation Transport Corporation?

7 A Not on the level like with the people involved
8 in the tax case. As you can see, I did my individual accounting.

9 Q Right.

10 A For individual disbursements which I obtained or
11 purchases which I made. I was not part of what was called
12 the audit project, no.

13 Q Were you part of the treasury at any time?

14 A No.

15 Q Did you see, Mr. Armstrong, any dividends
16 going to the shareholders of RTC -- strike that -- OTC
17 in your position?

18 A No.

19 MR. HARRIS: I have a document, Your Honor, entitled
20 "Sea Organization Flag Administration Organization." May
21 that be marked exhibit 46?

22 THE COURT: All right, so marked for identification.

23 Q BY MR. HARRIS: I ask you, Mr. Armstrong,
24 if you recognize that item?

25 A Okay.

26 Q Does that mean yes?

27 A Yes.

28 Q And the last few pages contain your handwriting;

1 do they?

2 A Yes.

3 Q Now, directing your attention to the second
4 or third paragraph which says "Sea Org Success"; do you
5 note that?

6 A Okay.

7 Q And down at the bottom --

8 MR. FLYNN: Your Honor, it is my understanding that
9 this comes from Mr. Armstrong's PC files.

10 MR. HARRIS: That is totally false, Mr. Flynn.

11 MR. FLYNN: Why don't you ask Mr. Armstrong, Mr.
12 Harris? He was there at the time.

13 THE COURT: Well, we will go on and see what develops.

14 Q BY MR. HARRIS: Do you see the Sea Org success
15 page, Mr. Armstrong?

16 A Yes.

17 Q And down at the bottom you give your permission
18 to publish this letter in any of the publications of the
19 Church of Scientology of California or Operations and
20 Transport Corporation?

21 A Yes.

22 Q And you have already indicated to us that
23 aboard the ship you received HCOPL's, HCOB and other issues;
24 is that correct?

25 A Yes.

26 MR. HARRIS: All right, I have a document, Your
27 Honor with the title "Understanding Corporate Integrity";
28 may this be marked exhibit 47?

1 THE COURT: Yes.

2 Q BY MR. HARRIS: Is that one of the items
3 that you received aboard the ship, Mr. Armstrong?

4 A It very well may be.

5 Q At the time being someone who was fearful
6 of not making it in the Sea Org, it was your habit to
7 read all of the items that came into your in basket; right?

8 A I don't follow your equation.

9 Q You didn't understand my question, sir?

10 A The equation that you strung together, an
11 equation there as someone fearful, I read everything.
12 That didn't make sense to me.

13 Q You testified on direct examination, as
14 I recall, that the dominant emotion that you had aboard
15 the ship was fear; isn't that right?

16 A Yes.

17 Q And when Mr. Litt asked you on cross-examination,
18 you said you had a fear of failure; that is, not doing
19 a good job as a Sea Org member; right?

20 A I had a fear of a lot of things.

21 Q Was one of your fears not doing well as
22 a Sea Org member, Mr. Armstrong?

23 A Yeah; fear of being RPF'd, fear of being
24 thrown off the ship, fear of doing something wrong, fear
25 of incurring Mr. Hubbard's ^{wroth,} a lot of fears.

26 Q Wrath, you mean?

27 A Wrath.

28 Q Was one of your fears among all those fears,

1 Mr. Armstrong, that you would not do well as a Sea Org
2 member?

3 A Well, that wasn't quite the way it was articulated
4 in my mind. It was more like I was going to be an SP
5 and cause the destruction of the universe by not shouldering
6 my load to help Mr. Hubbard save everyone.

7 Q So you shouldered your load to help Mr.
8 Hubbard save everyone?

9 A I would have killed for the man.

10 Q Yes. Did you do that, Mr. Armstrong?

11 THE COURT: Which?

12 Q BY MR. HARRIS: Killed for the man?

13 A I never killed any individuals.

14 Q Is it your state of mind as you sit here
15 now that you would have killed somebody for Mr. Hubbard
16 while you were aboard the ship?

17 A Yes.

18 Q Is that what you meant in exhibit HH written
19 to the CO of the CMO:

20 "It is an area which I keep scrupulously
21 legal." -- referring to the archives -- "This has been
22 my modus operandi for all my Sea Org years and on many
23 posts closely connected with legal situations. I have
24 always resisted attempts to get me involved in shady actions
25 for short-range products and opted for legality with long-
26 range return."

27 Is that what you meant when you said, Mr. Armstrong?

28 A That is what I tried to do.

1 MR. FLYNN: Your Honor, may I see exhibit 7-A under
2 seal while this is going on?

3 MR. HARRIS: I have a document, Your Honor, entitled
4 "Affidavit." May that be marked exhibit 48?

5 THE COURT: Yes, 48 for identification.

6 Q BY MR. HARRIS: Would you take a look at
7 exhibit 48, Mr. Armstrong.

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1 Q BY MR. HARRIS: Do you recognize it,
2 Mr. Armstrong?

3 A Yes.

4 Q On the last page, is that your signature?

5 A Yes.

6 Q Was it signed on the 12th of April, 1980?

7 A I don't know if it was or not.

8 Q Well, is that your writing that says "12
9 April, 1980"?

10 A Yes.

11 Q And, of course -- well, strike the "of course."
12 This was at a time when you were on the
13 archives project; isn't that correct?

14 A That is correct.

15 Q And beginning the biography project?

16 A That's correct.

17 Q And you, having seen a newspaper article
18 in the Clearwater Press, volunteered to do something in
19 respect to what was being stated; is that correct?

20 A Yes.

21 Q And you stated in the first paragraph that
22 you were employed by the Church of Scientology of California;
23 is that right?

24 A Yes; whoever -- I don't believe I typed
25 this. A lot of it is not my words. So that would have
26 been chosen for me, but, in any case, I signed this document.

27 Q And you initialed each page?

28 A Yes.

1 Q Including the first page that contains that
2 document?

3 A That is correct.

4 Q And you indicated that from July, 1976 to
5 December, 1977 you were working in the RPF at the Church
6 of Scientology of California in Clearwater; is that correct?

7 A Yes.

8 Q You were not under any duress at the time
9 you executed this affidavit, were you?

10 A I think I was under a great deal of duress.

11 MR. HARRIS: Mr. Flynn, the deposition of Mr. Armstrong
12 of August 17, 1982, volume 1, page 113.

13 MR.FLYNN: In this case, Mr. Harris?

14 MR. HARRIS: Yes, it is.

15 Beginning on line 10:

16 (Reading:)

17 "Q Were you under duress of any sort
18 at the time you executed these affidavits?

19 "By 'duress' I mean were you without
20 sleep? Was food being withheld from you? Had
21 you worked long hours? Were you under medication,
22 mental or psychiatric care or were you under the
23 influence of alcohol?

24 "A I don't believe so."

25 Q Were you under any threats at the time you
26 signed the affidavit, Mr. Armstrong?

27 A Yes.

28 MR. HARRIS: Page 115, same deposition, Mr. Flynn;

1 line 18:

2 (Reading:)

3 "Q Were you under any threats at the
4 time you executed this affidavit, Mr. Armstrong?

5 "A There were no verbal threats
6 directly on this that I recall."

7 Do you recall that?

8 A Yes.

9 Q In fact, you had an interview with someone
10 prior to this affidavit being prepared; correct?

11 A Yes.

12 Q And after the interview you were brought
13 the affidavit.

14 A Yes.

15 Q And you looked at it and were told that
16 you could make changes if you wished; isn't that correct?

17 A I may have.

18 Q Yes or no.

19 A Possibly was.

20 Q But you don't recall?

21 A I don't recall that specific thing, no.

22 MR. HARRIS: The same deposition, Mr. Flynn, at
23 page 116, starting at line 12:

24 (Reading):

25 "Q Did they come with a typed affidavit
26 prior to the interview and tell you to sign it,
27 or was the affidavit prepared after the interview?

28 "A It was prepared after the interview.

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"Q Did that person tell you that you could make corrections if you found errors in the typed copy?

"A Yes, certainly."

Did you find any errors in it at the time that you looked it over and signed it, Mr. Armstrong?

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1 MR. FLYNN: You are asking for his state of mind
2 at the time?

3 MR. HARRIS: I asked a simple question. Is that
4 an objection?

5 MR. FLYNN: It is an objection.

6 I am not sure what the question means, Your
7 Honor. If he asking for the witness' state of mind at
8 the time the document was signed?

9 THE COURT: Well I assume that is what you are
10 referring to; is that right, Mr. Harris?

11 MR. HARRIS: I suppose so.

12 Q Answer?

13 A I knew that it had errors in it. I was going
14 to sign whatever they had put in front of me. As I say,
15 there was a lot of duress.

16 Q I see. Page 116, same deposition, Mr. Flynn,
17 line 19:

18 "Q Did you find any errors?

19 "A I didn't think so at the time.

20 "Q So, in other words, your signature
21 was freely given without threat or coercion at
22 that point and after you had some time to review
23 the contents of this affidavit?

24 "A Yes."

25 Mr. Armstrong, on page 2, paragraphs 10
26 and 11 you make reference to what Miss Burden claimed
27 in her affidavit and what the truth was about the E meter;
28 is that correct?

1 A This was -- this is not my statement. I
2 didn't make it.

3 Q You did initial it, at the bottom; didn't
4 you?

5 A Well, as I say, I was willing to sign anything.

6 Q Did you initial it at the bottom, Mr. Armstrong?

7 A Yes.

8 Q Miss Burden, according to what is here which
9 you signed, swore that the E meter "is a lie detector
10 used during auditing."

11 And you swore that you personally knew that
12 the E meter was not a lie detector but a religious artifact,
13 isn't that correct?

14 A What is stated here is what was prepared
15 in the document.

16 Q Is that what you signed under oath, Mr.
17 Armstrong?

18 A I believe so.

19 Q By the way, Miss Burden is represented by
20 Mr. Flynn; is that right?

21 MR. FLYNN: I will stipulate to that, Your Honor.

22 MR. HARRIS: I will accept the stipulation.

23 Q And you testified on direct examination
24 about taking Miss Burden back to the church in Los Angeles
25 from Las Vegas; did you not?

26 A I took her to the Cedars Complex and turned
27 her over to the RPF.

28 Q And she agreed to return to Los Angeles

??

1 and route out of the church honestly; right?

2 A She agreed to come back.

3 Q Well you signed under oath, "Tanya then
4 agreed with this and agreed to return to Los Angeles and
5 route out of the church honestly"; isn't that correct?
6 Paragraph 4 about 6 lines up from the bottom, 5 actually;
7 do you see that?

8 A Yes.

9 Q And in paragraph 15 of the affidavit you
10 are again making reference to Tanya Burden's affidavit
11 and you swore that she swore that "In Los Angeles I was
12 locked in a room and forced to undergo a security check
13 on the E meter."

14 And you under oath said, "I personally know
15 that while in Los Angeles, Tanya Burden was never locked
16 in any room or otherwise confined in any manner."

17 That is what you swore to; isn't it?

18 A Yes, that is what I said there.

19 Q (Reading):

20 "I also know that Tanya was never forced
21 to undergo a security check on the E meter."

22 You swore to that, too; didn't you?

23 A Yes.

24 Q Directing your attention, Mr. Armstrong,
25 to what has been previously marked exhibit X, when did
26 you first see all of the contents of exhibit X as they
27 are now put together?

28 A Do you mean in this order?

1 Q Yes.

2 A I believe here in this trial.

3 Q You mean you didn't see that put together
4 like that in Mr. Flynn's office?

5 A I have never been to Mr. Flynn's office.

6 Q Ms. Dragojevic's office, did you see it
7 there?

8 A I don't recall it.

9 Q Did you put it together, Mr. Armstrong?

10 A No.

11 Q Somebody else did?

12 A Well, must have because I didn't.

13 Q And do you know who?

14 A No.

15 Q Now the first page which is the HCO Bulletin
16 of 3 February, 1960, did you study that when you took
17 the course on sec checking, Mr. Armstrong? Just the first
18 page, we will get to the rest later.

19 A I probably saw it back much earlier on the
20 ship.

21 Q So the answer is no, you didn't study that
22 when you took the sec checking course?

23 A No. I believe it was included in the --
24 one of the courses in the RPF.

25 Q Which one, Mr. Armstrong?

26 A Well, I did a couple on sec checking, one
27 right at the outset, one much later on when it got kind
28 of changed over to become -- what was it called -- integrity

1 processing.

2 Q And what was the name of the course that
3 is the first one that you took, Mr. Armstrong, which allegedly
4 contained the first page of exhibit X?

5 A I don't know if we actually had a check
6 sheet at that time because this was at the beginning of
7 the RPF when all we were to do at that point was sec checking.

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1 So there was a great number of packs put
2 together. And I don't know if we got a check sheet either
3 approved or in use.

4 Q Now, you are telling us that when you first
5 went on the RPF you did a course without a check sheet;
6 is that correct? Yes or no.

7 A Yes. We never had any check sheets.

8 Q Now, looking at page 2 of the exhibit X,
9 was that page 2 with page 1 of exhibit X when you saw
10 it in this no check sheet course?

11 A I don't recall this picture.

12 Q Well, did you try when you were identifying
13 exhibit X to give the court the impression that exhibit
14 X was all one package, Mr. Armstrong?

15 A I don't know if I tried to give the court
16 that impression at all.

17 Q Well, in fact, it isn't any such package;
18 isn't that correct?

19 A Well, they are not one consecutive -- they
20 are not, apparently, from the same document or anything.

21 Q Right.

22 A Some of them are really well known.

23 This one, at least, is in the green volume
24 which I have read.

25 Q Is page 2, Mr. Armstrong, a part of page 1?

26 A I really don't know. It may be. What it says,
27 "Page 23." And the other one says "Page 33."

28 Q And also, it says --

1 A I frankly don't know.

2 Q -- it says on it "For use with HCO bulletin
3 of February 10, 1960"; is that right?

4 A Okay. So --

5 Q "Okay" means "yes"?

6 A Yes; I read that. So I don't get the significance
7 yet.

8 Q It is your exhibit, Mr. Armstrong; does
9 it say that, or doesn't it?

10 A It says what it says.

11 Q It says, "For use with HCO bulletin of February
12 10, 1960"; that is what it says; right?

13 A Yes.

14 Q And the first bulletin is a bulletin of
15 3 February, 1960; right?

16 A Okay.

17 Q Now, where does page 2 of exhibit X come
18 from, Mr. Armstrong?

19 A I really don't know. It is a picture of
20 an E meter. Maybe it is from the same volume. I really
21 don't know.

22 MR. HARRIS: I have a HCO bulletin of 10 February,
23 1960, Your Honor; may that be marked plaintiff's exhibit
24 49?

25 THE COURT: So marked.

26 MR. FLYNN: What have you got there, Mr. Harris?

27 MR. HARRIS: HCO bulletin of 10 February.

28 Q Now, Mr. Armstrong, looking at exhibit 49,

1 was this document in the course where you didn't have
2 a check sheet?

3 MR. FLYNN: What are you talking about, just the
4 diagram, Mr. Harris?

5 MR. HARRIS: Is that an objection, Mr. Flynn?

6 MR. FLYNN: I am trying to identify what you are
7 talking about with the witness. I am wondering if you
8 are talking about just the diagram now.

9 Is that what you are referring to?

10 MR. HARRIS: Is that an objection?

11 THE COURT: Let's avoid this. Let's have the
12 question read back.

13 (The question was read:)

14 THE COURT: If he knows.

15 If you don't know --

16 MR. FLYNN: I am just wondering which document --

17 THE COURT: He has two pages; I assume he means
18 both are within one document.

19 MR. HARRIS: That is correct, Your Honor. That
20 appears to be by the reference on page 2.

21 THE WITNESS: It may have been.

22 I have read this document before. I cannot
23 tell you right now where exactly I have read it, but I
24 have read it.

25 Q BY MR. HARRIS: Up on the left-hand side,
26 Mr. Armstrong, there appears to be something called "CENOCON;
27 Place one in each; British E meter;" what is that?

28 A This would be designations as to who in

1 the original mimeographed edition would get it. And the
2 last one meant place one in each British E meter. So
3 when the British E meters were being sold, each one of
4 these went in the package.

5 Q Directing your attention back to exhibit
6 47, up at the top it says, "Re-mimeo all staff hats basic
7 SO member hat"; again, is this the routing that this would
8 have gone?

9 A Well, in a sense, it is routing because
10 each person would have received that particular thing.

11 "Re-mimeo" meant that other organizations
12 would have picked up the same document and re-mimeoed
13 it themselves. And the hats refer to packs of material
14 which people kept.

15 Q What does on exhibit X, page 1, "STHIL"
16 mean?

17 A St. Hill.

18 Q That was the distribution of that so far
19 as you could tell from the routing? Yes or no?

20 A At the time.

21 Q Yes.

22 A Not subsequently.

23 Q Do you mean subsequently somebody reissued
24 it and put different routing on it? Yes or no.

25 A Yes. Right. Hubbard had moved from St.
26 Hill. The headquarters moved from St. Hill. So the documents
27 would be remimeoed somewhere else, anywhere else.

28 Q BNY the way, "CENOCON," with your experience

1 with Scientology history, perhaps you can tell us what
2 that was.

3 A No. I am not sure right now.

4 Q And looking at page 3 of exhibit X did you
5 mean, when you presented this document to the court, to --

6 THE COURT: He didn't present it, Counsel; his lawyer
7 presented it. He identified it. There was testimony about it.

8 Let's move on.

9 Q BY MR. HARRIS: Did you see in this checksheet--
10 strike that -- this course that had no checksheet the item
11 called "Interrogation" which is page 3, Mr. Armstrong?

12 A Very likely.
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1 Q You feel as you sit there now that you saw
2 this?

3 A Yes, earlier and then -- we collected up
4 everything we could find on the subject of sec checking.

5 Q What is the routing on the top of the page
6 3 of exhibit X?

7 A (Reading):

8 "All auditors in South Africa and Cen OCon."

9 Q Which you don't know what it was?

10 A No. We could figure it out, but we don't
11 know right now.

12 Q And Johannesburg security check which appears
13 on page 4 of this, did you see that in your course with
14 no checksheet?

15 A I don't know. I definitely saw it later
16 during the sec check course which did have a sec check
17 or did have a checksheet, so I saw it then definitely.

18 Q Now, again, exhibit --

19 A I saw it 30 times in Scientology.

20 Q Thirty times?

21 A Yes.

22 Q And as you sit there now, Mr. Armstrong,
23 do you know if any of the items in the package exhibit X have
24 been cancelled?

25 A I don't know.

26 MR. HARRIS: Does Your Honor have 49 which I think
27 was the last one that was marked?

28 THE COURT: Yes.

1 MR. HARRIS: I have a document, Your Honor, entitled
2 "Sea Organization RPF OW and sec checking course." May
3 that be marked exhibit 50?

4 THE COURT: Very well.

5 Q BY MR. HARRIS: Do you recognize exhibit
6 50, Mr. Armstrong?

7 A Yes.

8 Q And do those appear to be your initials
9 on the right-hand side in part?

10 A Yes, in part.

11 Q And on page 2 appear to be your initials
12 as well down the right-hand side?

13 A Yes.

14 Q Was a little date next to the initials?

15 A Yes.

16 Q And on the third page there is somebody
17 else's initials; do you recognize those?

18 A No.

19 Q You don't recognize those as your twin's
20 at the time?

21 A No.

22 Q All right, and on the last page is it signed
23 by you as the student?

24 A Yes.

25 Q Now, looking through that checksheet,
26 Mr. Armstrong, do you see any of the items that are in
27 the package which is exhibit X?

28 A No.

1 Q Are you telling us, Mr. Armstrong, that
2 you took two sec checking courses while you were in the
3 RPF?

4 A There may be a third group. I recall that
5 all the sec checking I did was probably in 19- -- late
6 in '77, some time in '77.

7 Q At a time when you were on the RPF?

8 A Yes, but there is another pack of materials
9 which predated this, and there is another, I believe,
10 another pack later on.

11 Q So now you are saying you took three sec
12 checks courses while you were in the RPF, Mr. Armstrong?

13 A I think you are misinterpreting the first
14 one and I am not sure about the last one except that I
15 did when I was auditing my twin or sec checking my twin,
16 it was a great deal of time after this, at least when
17 the bulk of the sec checking was done, I believe that
18 there was a change and a bunch of other materials was
19 added which I don't recall here.

20 Q And did you do a sec sheet on that little
21 pack, Mr. Armstrong?

22 A I probably did.

23 Q And you believe that the third course that
24 you did on sec checking -- I take it that is what we are
25 talking about, a third one right after this one?

26 A It would have been this one revised, and
27 there was a shift around 1977 when we started to get into
28 evil purposes and evil intentions and would have postdated
29 this.

1 Q So is this the third one is my question,
2 the third sec checking course that you took?

3 A Let me explain the first one. You are not
4 understanding what I have said.

5 Q The first one, you have already told me
6 there was no checksheet; the second one --

7 A The past --

8 Q Excuse me.

9 The second one is the one that you have
10 in your hand which has been marked exhibit 50; is that
11 correct?

12 A Right. My recollection --

13 Q And then there was the third one; right?
14 That is a revision of the one that you have in your hand?

15 A That is correct. At least there was a great
16 deal of sec checking information which came out in that
17 period and was added in at some point.

18 Q And that is the course that you did with
19 a checksheet; is that correct?

20 A I assume there would have been a checksheet.
21 I don't rdcall, but it would have been standard.

22 Q And, indeed, it have been non-standard in
23 respect to your first course not to have a checksheet;
24 is that right?

25 A Right. We didn't have anything at the beginning.
26 We put it all together.

27 Q Including HCOB's and that sort of stuff;
28 you didn't have any of that; you put it all together yourself?

1 A We went to mimeo and pulled everything having
2 to do with sec checking.

3 MR. HARRIS: I have a document --

4 THE COURT: We'll take a 10-minute recess at this
5 time.

6 (Recess.)

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1 THE COURT: All right, we are back in session.
2 Just state your name again for the record,
3 Mr. Armstrong. You are still under oath.

4 THE WITNESS: Gerald Armstrong.

5 THE COURT: You may continue, Counsel.

6 MR. HARRIS: Thank you, Your Honor.

7 I have a document "Success", Your Honor.
8 May this be marked exhibit 52?

9 THE COURT: Very well, 51.

10 MR. HARRIS: I am sorry, my apologies. Let me
11 go back and change that and I have something else which
12 I want to mark exhibit 51.

13 THE COURT: All right, 51, whatever it is.

14 MR. HARRIS: It is the Auditor's Code, Your Honor.

15 THE COURT: All right, Auditor's Code exhibit 51.

16 Q BY MR. HARRIS: Now, Mr. Armstrong, on exhibit
17 50, first page, item 5, you initialed the Auditor's Code
18 AD 18.

19 A Okay.

20 Q Okay means yes?

21 A Yes.

22 Q And I'm going to show you now exhibit 51
23 and ask you if that is the Auditor's Code AD 18 that you
24 read and initialed at the time?

25 A It may have been, but I doubt it.

26 Q Well, let's see. It says, "HCOPL 14 October,
27 68R."

28 A R.

1 Q That is something different than the one
2 you have before you; is that correct?

3 A That is correct.

4 Q Well, what were the revisions? That R means
5 revision; right?

6 A Yes.

7 Q What were the revisions that you now recall,
8 if any?

9 A I don't recall specifically what they were.

10 MR. HARRIS: Now, I have a document "Success",
11 Your Honor. May that be marked exhibit 52?

12 THE COURT: Yes.

13 Q BY MR. HARRIS: Showing you exhibit 52,
14 Mr. Armstrong, I ask you if that is in your handwriting?

15 A Yes.

16 Q And that was the success story you wrote
17 after having completed the RPF OW and sec check course;
18 is that correct?

19 A It may be. I can't read the date on the
20 copy I have here.

21 THE COURT: Well this appears to be the original,
22 sir.

23 THE WITNESS: Probably is the one, yes.

24 Q BY MR. HARRIS: Directing your attention
25 to exhibit 50, the date when you completed the course
26 appears to be 9 November, '76; is that correct?

27 A That is correct.

28 Q And did you make out the date on the Success

1 story, exhibit 52?

2 A Yes, same date.

3 MR. FLYNN: Let me make an objection to that for
4 the record. That is from the PC file.

5 MR. HARRIS: That is false, too.

6 THE COURT: Well, not knowing one way or another,
7 I will just pass.

8 I don't know that that would be a legal
9 objection anyway. It may be something that goes to the
10 merits of this lawsuit.

11 Q BY MR. HARRIS: Mr. Armstrong, after all
12 those months in RPF at Flag -- is that where it was that
13 you were in RPF when you took this course?

14 A Which course?

15 Q The OW and sec checking course.

16 A Yes.

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1 Q Flag was in Clearwater?

2 THE COURT: Flag in Navy parlance is wherever the
3 commodore is.

4 THE WITNESS: That's right. At that point we --
5 they were pretending that international management was
6 occurring from Flag land base. But in fact, it wasn't.

7 But as far as a cover was concerned, that was
8 called the Flag Land Base.

9 Q That is, that became a referent to Clearwater?

10 A That is correct.

11 Q And by "they were pretending," do you mean all
12 of the Scientologists that were in Clearwater?

13 A I don't think that --

14 Q Yes or no.

15 A I don't think I can answer it with a yes or no as
16 you worded it.

17 Q Very well.

18 At the conclusion of your RPF did you write
19 a success story?

20 A Undoubtedly.

21 MR. HARRIS: I have something called "Success Story
22 RPF Completion", Your Honor. May that be marked exhibit
23 53?

24 THE COURT: Yes, so marked.

25 MR. FLYNN: I would agree that that can go into
26 evidence at this time, Your Honor.

27 Q BY MR. HARRIS: Does that appear to be your
28 signature at the bottom, Mr. Armstrong?

1 A It appears to be.

2 Q And in the first --

3 By the way, you wrote this yourself; right?

4 A Yes.

5 Q Nobody typed it up for your signature; right?

6 A I don't believe so.

7 Q And you stated that you were -- in the first

8 sentence -- fortunate to have been given this opportunity

9 by LRH to become redeemed; your words, right?

10 A Really degraded; isn't it?

11 Q Pardon me?

12 A I am acknowledging that it is really degraded,

13 isn't it?

14 Q No. It is really redeemed, r-e-d-e-e-m-e-d;

15 isn't that what it says, "redeemed"?

16 A I know. That is degrading.

17 Q And " ... to have been given my sanity";

18 your words, right?

19 A Sanity?

20 Q "Sanity"; that is what it says, "and to

21 have been given my sanity," Mr. Armstrong?

22 A That is what it says, yes.

23 Q "And I was always, because of the nature of the

24 RPF, progressing toward the goal of full honesty and redemption";

25 your words, Mr. Armstrong?

26 THE COURT: Where are you going, Counsel?

27 MR. HARRIS: The second paragraph, Your Honor:

28 "It was a long haul, 17 months to the day.

1 But it is not one minute of that time regretted
2 because I was always, because of the nature of
3 the RPF, progressing toward the goal of full honesty
4 and redemption."

5 Your words, right, Mr. Armstrong?

6 A I probably borrowed some of them from
7 Mr. Hubbard, but they are my words here.

8 Q And the sixth paragraph down, you noted
9 " ... I became an auditor, a goal every Scientologist
10 has had."

11 Those are your words, right?

12 A Sure.

13 Q " ... I audited almost 1,000 hours of
14 my twin in the RPF."

15 That was true, wasn't it?

16 A What was true?

17 Q That you audited almost 1,000 hours on your
18 twin in the RPF?

19 A Yes.

20 Q And your twin was Andre Clavel ; right?

21 A That is correct.

22 Q "The education was priceless;" your words,
23 right, Mr. Armstrong?

24 A Yes.

25 Q Then you said, " ... I became a Scientologist,
26 for I wasn't one before"; your words, right, Mr. Armstrong?

27 A Yes.

28 Q And continuing down about five paragraphs,

1 you say, " ... I am ready to again become a Flag staff
2 member and share the burden of clearing this planet with
3 other staff"; your words, right, Mr. Armstrong?

4 A Yes.

5 Q And then the last paragraph, Mr. Armstrong,
6 " ... and to LRH, who has given me my sanity and given
7 me the tech with which to help him in his goals for man,
8 sir, I am a good investment. And I will be able some
9 time to repay you."

10 Your words, right, Mr. Armstrong?

11 A Yes.

12 Q By the way, Mr. Amrstrong, in 1977 you testified
13 that --

14 THE COURT: Do you mean he testified in 1977,
15 or testified now?

16 MR. HARRIS: My error, Your Honor.

17 Q You testified in this case that in 1977 while
18 you were on the RPF that there were no wage vouchers that
19 said "The Church of Scientology of California" on them;
20 right?

21 A I don't know whether I testified to that
22 or not.

13-1

1 Q 10 May, 1984, page 1467, Mr. Flynn, line 17:

2 "Q And do you recall receiving
3 any amounts of cash in 1977?

4 "A Everything was cash.

5 "Q Were there any wage vouchers that
6 said the Church of Scientology of California on
7 them?

8 "A No."

9 I have a package, Your Honor, of vouchers which
10 say "Church of Scientology of California" on them. May that
11 be marked collectively exhibit 54?

12 THE COURT: Very well.

13 Q BY MR. HARRIS: I show you the originals,
14 Mr. Armstrong, so you can take a look at them.

15 MR. FLYNN: These cover the disbursement vouchers for
16 all the years that you have that bear at the top "Church of
17 Scientology of California," Mr. Harris, just for this period
18 in 1977?

19 MR. HARRIS: Your Honor, maybe Mr. Flynn could direct
20 his questions to Your Honor.

21 I have been going all weekend gathering up little
22 items. This is one such, and it has been given to Mr. Flynn.

23 Q Do you recognize the vouchers in exhibit 54,
24 Mr. Armstrong?

25 A Yes.

26 Q Do you recognize your then-wife's signature,
27 Terry Armstrong?

28 A On some of them, yes.

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1 Q And it was not unusual for you in 1977 to
2 authorize someone else to pick up your pay?

3 A I guess not. She has signed for a couple of
4 them.

5 Q in any event, those with your signature are your
6 signature; is that correct?

7 A Yes.

8 MR. HARRIS: I'm going to be referring to exhibit RR,
9 Your Honor, previously marked.

10 Q Directing your attention to the document marked
11 exhibit RR, Mr. Armstrong, the last paragraph of which talks
12 about SP order and Fair Game; is that correct?

13 A Yes.

14 Q And as I understand your testimony over about
15 four and a half days, it was your opinion that Fair Game was
16 as set forth in that paragraph; is that correct?

17 A This is a pretty good description of it.

18 Q And your claim, I take it, is that you, fearing
19 that you would be subjected to what that paragraph says,
20 took the documents and gave them to your attorney?

21 A I was already the subject of it.

22 Q Now, before you took the documents and sent them
23 to Mr. Flynn, you hadn't been sued; right?

24 A That is correct.

25 Q Harking back to the Flag orders of the day where
26 I pointed out to you in exhibit 42 under ethics someone being
27 upgraded from treason to enemy; do you recall that?

28 A Yes.

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1 Q On the left side of exhibit RR, Mr. Armstrong,
2 appears to be the conditions within the ethics system of
3 Scientology, at least some of them; is that correct?

4 A This is one part of them, yes.

5 Q And a condition is something that one is in; is
6 that correct?

7 A Okay. Yes.

8 Q "Okay" means yes; right?

9 And there are higher conditions than liabilities;
10 is that correct?

11 A That is correct.

12 Q There is power; correct?

13 A Yes.

14 Q Affluence; correct?

15 A Yes.

16 Q Normal?

17 A Yes.

18 Q Nonexistent?

19 A Yes.

20 Q And the conditions in which one is in can apply
21 to any dynamic in Scientology terms; is that correct?

22 A I imagine that it can be applied in that manner,
23 yes.

24 Q Well, you imagine it; even before you got into
25 Scientology, you read a book about the Scientology ethics
26 system; did you not?

27 A Yes.

28 Q And the first dynamic is self; is that correct?

1 A Yes.

2 Q So ethically, within Scientology one's self can
3 be in a condition; is that correct?

4 A You can either be in a condition or be put in a
5 condition or have that condition relative to the organization
6 or perceived by the organization.

7 The perception of the organization has little
8 bearing on the actual condition that the person is in.

9 But go ahead.

10 Q Well, you yourself, Mr. Armstrong, had during
11 the course of your stay in Scientology assigned yourself a
12 condition; isn't that correct?

13 A One always did that, yes.

14 Q And on other occasions you would be assigned a
15 condition by a senior; correct?

16 A One was always instructed to assign oneself a
17 condition or one was assigned.

18 Q Or one was assigned.

19 And the second dynamic, family, sex; you could
20 assign yourself a condition on that dynamic too; right?

21 A Yes.

22 Q Or have it assigned; right?

23 A Yes.

24 Q And the third dynamic, the group, the people you
25 were among, the Scientologists you were among, you could put
26 yourself in a condition in respect to that group; is that
27 correct?

28 A It is possible.

1 Q Or you could have a condition assigned?

2 A Yes.

3 Q Now, were you ever, while in Scientology, put
4 in the condition of enemy?

5 A Which condition of enemy are you referring to?

6 Q Were you assigned by someone the condition of
7 enemy? Yes or no.

8 A There are two conditions of enemy.

9 Q Were you assigned either of them while you were
10 in Scientology?

11 A Yes; both.

12 Q All right. By the way, the second condition that
13 you are talking about on enemy, is that written someplace?

14 A Yes.

15 Q Where?

16 A That is contained in all the Guardian's office
17 information on enemies.

18 Q And the Guardian's office information on enemies,
19 do you have some writing from that with you?

20 MR. FLYNN: Does his lawyer, or does he?

21 Q BY MR. HARRIS: You.

22 THE COURT: Do either you or your lawyer, to your
23 knowledge, have any such writing?

24 THE WITNESS: Yes, Your Honor. My lawyer has a wealth
25 of such information.

26 Q BY MR. HARRIS: And this wealth of such
27 information, did you see it in your lawyer's office,
28 Mr. Armstrong?

1 A I have never been to my lawyer's office.

2 Q You haven't been to --

3 I have a hard time with her name. I'm not going
4 to do it.

5 How about the offices of Contos and Bunch; did
6 you see such items there?

7 A I have seen some such items there, yes.

8 Q Now, Mr. Armstrong, the -- when you are in a
9 condition, you do something in the Scientology ethic system
10 called "a formula"; is that right?

11 A It depends which condition you are in.

12 Q In the condition of enemy, it is the formula,
13 find out who you are; is that right?

14 A You are thinking of the internal condition of
15 enemy; correct, or whatever.

16 Q Did you do the enemy formula when you were
17 assigned the condition of enemy while you were in the group?

18 A Yes.

19 Q And did you write down "find out who you are"?

20 A Yes.

21 Q And then you were elevated to the next higher
22 condition; is that correct?

23 A Yes.

24 Q Treason is below enemy, is it not, Mr. Armstrong?

25 A In certain Scientology doctrines, yes.

26 Q And, again, referring you to 42-11, Morton
27 Smithburg, having applied the treason formula, is upgraded
28 to enemy; that is the way it worked internally in Scientology;

1 is that correct, Mr. Armstrong?

2 A To some degree, yes.

3 Q And the formula for treason was to find out that
4 you are; isn't that correct?

5 A Yes.

6 Q Moving from treason to enemy, one moves up into
7 doubt; is that correct?

8 A Again, you're talking about only the internal
9 policies, not referring to the Guardian's office conditions
10 of enemy and traitor and doubt.

11 Q Let me ask you this, Mr. Armstrong: during the
12 time before you got into Scientology when you read this
13 introduction to Scientology ethics did you understand what
14 you were reading at the time?

15 A I believed that I understood it, yes.

16 Q And when you were at this alleged franchise in
17 Canada did you have the ethics conditions in the franchise?

18 A No.

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1 Q Was not ethics in that franchise; is that
2 correct?

3 A No, I think that the level of ethics there was
4 extremely high and it degenerated the closer you got to the man.
5 So, I think ethics did exist there. Ethics did not exist
6 later on, at least with Mr. Hubbard.

7 Q When you joined the Sea Organization, Mr. Armstrong,
8 did you take any kind of course in Scientology ethics?

9 A When you say when I joined, what time period
10 are you talking about?

11 Q Well, let's put it this way: Within the first
12 three years of joining the Sea Org, did you take any kind of a
13 course on Scientology ethics?

14 A There was probably something included in
15 the Volume 0 checksheet. I don't know if I took a specific
16 course in ethics at that time separate from that.

17 Q Just so I understand it. All the time that
18 you were in the group; that is, in the group of Scientologists
19 who were staff members, who were Sea Org members, the
20 condition of enemy you are talking about is the internal
21 condition of enemy; right?

22 A During all the time?

23 Q Yes.

24 A Well, I knew of the existence of the other
25 one.

26 Q You knew of the existence of it at the time
27 that you were on the ship; is that correct?

28 A Well --

5-2

1 Q Yes or no.

2 A When you say the time that I was on the
3 ship, do you mean the whole time?

4 Q The whole time that you were on the ship,
5 Mr. Armstrong.

6 A I did not know it the whole time I was on
7 the ship. By "whole time" you mean the 4½, 4.6 years?
8 I learned of it on the ship.

9 Q That is when you first heard of Fair Game;
10 is that correct?

11 A Yes.

12 Q And you saw something in a PR briefing pack
13 about Fair Game; right?

14 A Yes.

15 Q And the question never came up to you in
16 port; did it?

17 A No.

18 Q And at the time that you were on the ship
19 you had in your PR pack that Fair Game was cancelled;
20 is that correct?

21 A That was the answer we were to use when
22 asked about Fair Game.

23 MR. HARRIS: I have a document, Your Honor, entitled
24 "The Conditions, Awards and Penances." May that be marked
25 exhibit 55?

26 THE COURT: Yes, so marked for identification 55.

27 Q BY MR. HARRIS: I ask you, Mr. Armstrong,
28 if you have ever seen exhibit 55?

15-3

1 A I don't believe I ever saw this.

2 Q While on staff in January, 1981 you did
3 receive HCOPL's; right, policy letters?

4 A No. I didn't have a communications basket
5 in the organization during that period that received any
6 of the standard issues. Sometimes I came across them,
7 but I did not get issues as a rule throughout that period.

8 Q In fact, Mr. Armstrong, in the archives
9 area, you had a package which contained issues that you
10 received; did you not?

11 A There may have been some in there, but it
12 was not of my recollection.

13 Do you have the package?

14 Q Yes.

15 A Great.

16 Q But you don't recall this being in the package,
17 Mr. Armstrong?

18 A No. If it was I am sure I didn't read it
19 at the time.

20 Q And you haven't seen it since; is that correct?

21 A No.

22 Q If I understand you correctly then, there
23 were internal among the group, there was an ethic system
24 that did not involve suing, lying, tricking, destroying,
25 anything like that; is that correct?

26 A Well there was an ethic system on board
27 in the organization which involved trickery and deception
28 and cheating, but the people being tricked and cheated

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1 didn't know about it.

2 But outside the organization, especially
3 with the Guardian's office and the other enforcement arms
4 of Scientology and Mr. Hubbard's groups, there was a whole
5 different level. These things didn't apply, and an enemy
6 on the outside was someone who could literally be destroyed.

7 Q So if I am to understand you correctly,
8 internally as a staff member there is one definition of
9 enemy and then there is some other one, some Guardian
10 office condition within which one is put if one is an
11 outside enemy, is that the substance of your testimony?

12 A If one is perceived as an enemy of the organization,
13 then the organization brings its might to bear against
14 that person so considered an enemy.

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1 Q And that was your state of mind at the time that
2 you left the organization?

3 A Well, i recognized the possibility that that was
4 going to happen. I requested that it not happen. It did
5 happen.

6 My state of mind when I left the organization
7 was one of very intense fear. But I hoped that some sanity
8 would reign in the organization and I would not be attacked.
9 That didn't work out.

10 Q And at the time that you left the organization,
11 Mr. Armstrong, your state of mind is that there were people
12 who could leave the organization, but not be tricked, sued,
13 lied to, destroyed, et cetera; is that right?

14 MR. FLYNN: Which time period, what date? which year?

15 MR. HARRIS: When he left the organization, December 12,
16 1981.

17 THE WITNESS: I knew that when the Douglasses had left
18 the organization that L. Ron Hubbard had issued an order
19 specifically regarding the Douglasses; that they were not to
20 be harassed.

21 Q BY MR. HARRIS: This was one you saw; right?

22 A This is one that I was informed of.

23 Q By whom, Mr. Armstrong?

24 A By messengers, by Laurel Sullivan, by --

25 Q Which messenger?

26 THE COURT: You are interrupting the witness, counsel.

27 THE WITNESS: BY Betty Diesdorf; Laurel Sullivan; Leo
28 Johnson. It was common knowledge on the property at Gilman

1 Hot Springs.

2 So I hoped that the same kind of order would be
3 issued regarding me because I had similar kinds of knowledge
4 to what the Douglasses had.

5 I did not wish to be made an enemy.

6 I knew that Mr. Hubbard said specifically don't
7 harass the Douglasses. And as a result, they were not.

8 I understood that no declare was issued on them
9 and they were allowed to proceed with their lives.

10 I hoped that that would happen; I recognized the
11 possibility that it would not and I had a lot of concern about
12 that. But I had hoped that it wouldn't be.

13 Q BY MR. HARRIS: Mr. Armstrong, when you left the
14 organization you knew of many people who had been declared
15 over the years; did you not?

16 A No.

17 Q You knew some had been declared; correct?

18 A I had heard of some, yes.

19 Q Was it your state of mind when you left the
20 organization, Mr. Armstrong, that when someone was declared,
21 this secret definition of enemy would be employed, this one
22 that is not written?

23 A It could.

24 Q And when you say, "it could," do you mean it is
25 possible? Is that right?

26 A Mr. Harris, you don't understand the way the
27 organization worked.

28 Q Let me just ask you this: when you say "could,"

1 do you mean it is possible? Is that right, Mr. Armstrong?
2 Yes?

3 A Let me explain that --

4 Q Can you answer it yes or no?

5 A No. I mean I cannot answer it yes or no. That
6 is not my no answer.

7 Q Mr. Armstrong, at the time that you left the
8 organization did you have in mind that you were not going
9 to be declared a suppressive person? Yes or no.

10 A Did I have in mind that I was not going to be?

11 Q That is correct.

12 A I think I have explained that I --

13 Q Yes or no, Mr. Armstrong?

14 A I hoped that I would not be.

15 Q You hoped that you would not be, but you didn't
16 know?

17 A I still don't know what the organization will
18 do.

19 Q And your photo incident is what convinced you
20 that this secret definition of enemy was being applied to
21 you; is that correct?

22 A That was a big piece of it.

23 Q It wasn't the declare alone that caused you to
24 believe this; correct?

25 A I knew that I was under investigation by a B-1
26 operative by the name of Brad Ballentine.

27 I knew that the organization had, first of all,
28 declared me; that the declare itself was Black Propaganda.

1 Once the photos were taken, I made a demand for
2 their return. They refused.

3 At that point I felt indebted to the people whose
4 photos had been stolen.

5 I was scared for my life. I was scared for my
6 wife's life. I knew what the organization was capable of.

7 I saw that they viewed me as an enemy and that
8 the weight of the intelligence machinery of the organization
9 would be brought against my wife and myself.

10 Q That was your state of mind after this photo
11 incident; correct?

12 A That is correct. I was scared.

13 Q All right. When you took over the archivist post,
14 Mr. Armstrong, your first duties were to gather the materials
15 together in one place; is that correct?

16 A Well, that is something that I did following
17 right away.

18 Q Had you had any sort of formal education on
19 preserving documents?

20 A No.

21 Q You learned this on your own?

22 A Yes.

23 Q And you tried as best you could to preserve the
24 documents?

25 A Well, within the time I had, yes.

26 Q And insofar as biographical research, you hadn't
27 had any formal training in that; is that correct?

28 A Well, I had worked for some time in the

1 intelligence bureau on board the ship and in the Guardian's
2 office. So I knew about collecting data on people and data
3 analysis and I could time track things. So I suppose within
4 the Scientology framework, I had learned about biographical
5 data collection to some extent.

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1 Q Did you while you were in the archivist
2 and researcher position attempt to read how one goes about
3 researching a biography?

4 A I don't think I read anything specifically
5 on that point. I read material on biography files, but
6 I don't recall anything specifically on that.

7 Q In terms of getting the materials together
8 into one space and then attempting to sort them out, did
9 you have some sort of a system which fit in with the biography
10 research?

11 A I don't understand. You mean a system outside
12 my own -- whatever I developed along the way?

13 Q Yes, something that was published or that
14 one would learn about how you gather things together for
15 a biography.

16 A No.

17 Q You developed your own system as to how
18 to store the materials in order to retrieve them for purposes
19 of the biography; is that correct?

20 A Yes.

21 Q And up until the time that you got the Controller
22 archives materials given to you by Mr. Vorm, you had been
23 essentially just doing something with the materials to
24 make them accessible to you so that you could take them
25 to Mr. Garrison; is that correct?

26 A I don't understand your statement.

27 Q Well, what was your system of storage of
28 documents for retrieval for the purpose of the biography

17-2

1 project, if there was one?

2 A As I obtained materials which were used
3 in the biography, I assembled them into either a chronology,
4 if there was a great number of documents, for example,
5 the letters between Mr. Hubbard and his wife and girl
6 friends, and I copied them. I made two copies as a rule
7 and put the copies into a binder, the two sets. One copy
8 I provided to Mr. Garrison. One I put in a separate space
9 for reference purposes.

10 Q And were those binders made in such a way
11 as to go chronologically?

12 A Well, within a particular binder I would
13 try to assemble material chronologically. The binders
14 themselves usually jumped around in that I might one day
15 be working on material in 1940 and another day working
16 on material from the '60's.

17 So, the order in which I did binders was
18 not chronologically, but the sum of them could have been
19 added up and a chronology could have been formed from
20 that.

21 Q Now, when you would proceed chronologically
22 with these items, putting them in binders, it was in the
23 biography matters; is that correct?

24 A No, what I am telling you it was by subject
25 matter.

26 Q It was. So you developed a subject matter
27 indexing system within which the binders would go chronologically;
28 is that correct?

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1 A The contents of the binders would as much
2 as possible be chronological.

3 Q And with the exception of some interviews
4 of people, your state of mind respecting Mr. Hubbard came
5 from the items within the archives; is that correct?

6 A Well, what period are you talking about?

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1 Q Well, up until the point where you received items
2 from the Controller's Archives, when was that? Do you
3 recall?

4 A The fall of 1981.

5 Q And you left in December of 1981?

6 A That is correct.

7 Q Now, I take it that from the materials other than
8 the Controller Archives you had made some binders by subject
9 matter, which binders internally were chronological; is that
10 correct?

11 A Yes.

12 Q And then when the archives material came, you
13 would place the archives materials that pertained to the
14 subject matter in that chronological binder; is that correct?

15 A I don't follow all of what you are saying there.
16 But the way I described the way I did it, I tried to within
17 an individual binder keep things chronological. I tried to.
18 If the amount of material was greater than one binder, I would
19 proceed chronologically into a second, third, or fourth
20 binder within a particular subject.

21 Q When you would get new materials such as the
22 Controller Archives material you would attempt to place it
23 in binders that you had already made up from materials that
24 you had gotten elsewhere?

25 A If it was on a particular subject and if, for
26 example, the letters between Mr. Hubbard and his parents, the
27 bulk of that material I obtained from Del Sol. It went up
28 to a particular time.

1 I also obtained a lot of correspondence between
2 Mr. Hubbard and his parents from the Pers Sec Archives, Pers
3 Sec U.S., from Pers Sec WW. As I got these things, I fed
4 them in chronologically; in other words, unless it was not
5 possible to do that. If I got a big bunch more letters,
6 then I would just copy those and form a chronology in
7 separate binders. But if it was a few letters, then I would
8 feed them into the existing binders. And I would do the same
9 with Mr. Garrison.

10 I would note what binder it should go in and
11 where and then clip it all together and hole punch it for
12 him so he could stick it into his own binders.

13 Q Again, this is by subject matter chronologically,
14 or would it be in some other form?

15 A As much as possible, as I say, I tried to keep
16 it chronological and by subject matter.

17 Q Would you have a subject matter, for example,
18 letters to LRH from his parents?

19 A Yes; well, back and forth. So I would try to
20 have as much as possible him to them and them to him back
21 and forth.

22 Q Now, this is a source subject matter; in other
23 words, parent-child; child-parent; do you have other subject
24 matter binders that were not by the nature of the
25 correspondence?

26 A Sure.

27 Q All right. Now, amongst the items, as you would
28 place them in a subject matter binder which itself ran

1 chronologically, you made certain determinations about
2 what -- where something fit; right?

3 A Okay.

4 Q "Okay" means yes?

5 A Well, I am -- I don't have the whole picture of
6 where you are going, but I'll go along with your
7 representation.

8 Q I am not representing anything. I am asking a
9 question, Mr. Armstrong. I'm trying to figure out the system
10 that you used.

11 You told us subject matter chronologically; some
12 new piece of information would come in; you would file it
13 and copy it and put it in a binder which was that subject
14 matter and put it in chronological order?

15 A Yes.

16 Q Now, the subject matters that you used for your
17 system, did it include something on Asia?

18 A Yes.

19 Q And something on the Navy?

20 A Yes.

21 Q How did you develop this subject matter system?

22 A Those were particular periods of Mr. Hubbard's
23 life.

24 Q And particular -- well -- okay. Let me withdraw
25 that.

26 For example, in the Asia subject matter, you would
27 put everything in there that pertained to LRH in Asia; is
28 that correct?

1 A Yes.

2 Q Even though at the same time there may have been
3 something within that period that wasn't Asia such as a letter
4 to his mother from LRH from Washington; do you see what I
5 mean, or are you confused by my question?

6 A No. I understand.

7 Q So what I'm trying to get at is you separated
8 out Asia and didn't put anything in the Asia folder which
9 was from the same time period that the Asia folder covered?

10 A Right. Unless it may have referred to Asia.

11 If I came across such a thing, then hypothetically
12 I may have cross-referenced it into two binders.

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1 Q All right, now, in this system that you
2 had developed, were you able to determine chronologically
3 where Mr. Hubbard was at any time during his life?

4 A Principally with -- there are gaps, but
5 principally, yes.

6 Q And when you say there were gaps, you mean
7 there were no documents in your archives which reflected
8 what Mr. Hubbard was doing at this particular time?

9 A That is correct.

10 Q And what was the longest gap of time from
11 your documents where you couldn't figure out where LRH
12 was and what he was doing?

13 A I really can't say. None of it is longer
14 than a couple of years, possibly 1980 through '82 would
15 be a period in which I didn't know where he was, had no
16 way of knowing.

17 Q Any other periods prior to 1980, Mr. Armstrong?

18 A I think I was able to put together a chronology
19 from his birth through -- just about covering every year
20 up to 1950, and then I had the interviews and Dianetics
21 and Scientology time tracks which indicated where he was
22 on a sometimes daily, sometimes weekly or monthly basis.

23 Q When you say a time track, you mean a date
24 over on the left side and then what was happening on the
25 right side?

26 A Well I didn't do that for much of the period,
27 but when I am talking about a time track, I am talking
28 about a chronology of where he was or what he was doing

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1 at a particular time. So the documents in the archives
2 showed a chronology which I called a time track.

3 Q But you didn't write out such a time track
4 from birth to 1980 to which you would refer in order to
5 fill in chronological data; is that correct?

6 A No. There was some which was done. In
7 fact, Barbara Decelle work on a time track through part
8 of the period, but no overall time track was done while
9 I was in the archives.

10 Q Now you have stated that you interviewed
11 people. How many people did you interview in connection
12 with this biography project, Mr. Armstrong; you, personally?
13 Your best estimate?

14 A Probably 25.

15 Q Covering from the time of Mr. Hubbard's
16 birth through 1980; that is, people that knew what had
17 happened from birth say to 10, 10 to 20, et cetera?

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1 A Well, not all of them knew all of it; nor do I
2 know if all of them knew or if together they knew the totality
3 of it.

4 But, yes, the earliest -- the people I -- some
5 people that I interviewed knew about his birth and knew his
6 early life. So it went back that far and up to 1980. But
7 there are gaps within the information or the knowledge of
8 the people that I interviewed.

9 Q And you examined the documents that you had
10 under -- in your area for the purpose of determining whom
11 you would interview; is that correct?

12 A I obtained the names of possible people from
13 various sources, not just from what was contained in the
14 documents.

15 Q Well, within the documents you were able to tell
16 certain people who definitely should be interviewed as having
17 knowledge about that period of time; is that correct?

18 A Yes.

19 Q And I take it that amongst all the documents that
20 you had there, you interviewed everybody that you felt you
21 should have interviewed who would know all about the period
22 of time that was involved; is that correct?

23 A No. I didn't interview everyone.

24 Q You did interview the people that you felt were
25 the most knowledgeable about this particular period of time
26 that you were investigating; is that correct?

27 THE COURT: I assume other than Mr. Hubbard himself.

28 MR. HARRIS: Yes. Understood.

1 THE WITNESS: Yes. There were other people who had
2 knowledge who I either could not contact or could not locate
3 or who were unwilling to be interviewed.

4 Q And insofar as other than interviews, documentary
5 research, did you go outside of the archives in order to
6 locate documents?

7 A Yes.

8 Q Pertaining to particular periods?

9 A Yes.

10 Q And did you have some sort of a plan to do this,
11 like consecutively or pick a decade or any sort of system?

12 A Well, a lot depended on where I was at the time,
13 what period I would be researching. But if I was, for example,
14 in Iowa, then I was researching Mr. Hubbard's ancestors and
15 not Mr. Hubbard.

16 So I knew that Iowa was not a gold mine for
17 finding where Mr. Hubbard was during the Dianetics and
18 Scientology period because he wasn't there.

19 But I knew that in Iowa was genealogical information
20 which I used.

21 Q During the period of time from the mid-'50's to
22 the mid-'60's there was one person who was with L. Ron Hubbard
23 other than Mary Sue Hubbard the entire period; isn't that
24 correct, Mr. Armstrong?

25 A Through the '50's and '60's?

26 Q Yes, mid-'50's through mid-'60's.

27 A You don't mean his Guardian Angel, do you?

28 Q What was your answer, Mr. Armstrong?

1 A I am not sure who you are referring to.

2 Q Did you ever hear of somebody by the name of
3 Marilyn Routsong?

4 A Yes.

5 Q You know that she was in the -- did you know from
6 the documents and other documents, data that you had, that
7 she attended the first lecture that L. Ron Hubbard gave in
8 1950 in Los Angeles?

9 A I didn't know, but it is very likely. Her name
10 came up very often.

11 Q Very often over all of the years from 1950 through
12 the mid-'60's, right?

13 A Through -- from 1950.

14 Q To the mid-'60's, yes.

15 A Okay.

16 Q "Okay" means yes?

17 A Well, I really have no way of knowing that she
18 was with him. I don't believe she was through all of that
19 period.

20 THE COURT: We are going to take a recess at this time.
21 We'll reconvene at 1:30.

22 (At 12:00 noon, a recess was taken
23 until 1:30 p.m. of the same day.)

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1 LOS ANGELES, CALIFORNIA; MONDAY, MAY 21, 1984; 1:33 P.M.

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4 THE COURT: All right. We are back in session.

5 Mr. Armstrong, would you retake the stand.

6
7 GERALD ARMSTRONG,

8 having been previously duly sworn, resumed the stand and
9 testified further as follows:

10 THE COURT: Just state your name again for the
11 record, sir. You are still under oath.

12 THE WITNESS: Gerald Armstrong.

13 THE COURT: You may continue, Counsel.

14 MR. HARRIS: Thank you, Your Honor.

15
16 CROSS-EXAMINATION (Resumed)

17 BY MR. HARRIS:

18 Q Mr. Armstrong, among the documents that
19 you had in the archives were documents concerning the
20 Hubbard Association of Scientologists; correct?

f 21 A Yes.
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1 Q And when was that organization formed?

2 A There may have been a number of them, but at least
3 one was formed in the mid-'50's.

4 Q And where was that organization formed?

5 A I believe that at least one of the corporations
6 or organizations was formed in Phoenix. There may be another
7 one formed in the U.K.

8 Q And in your archives materials you had Marilyn
9 Routsong serving as one of the executives in the Hubbard
10 Association of Scientologists in Phoenix; is that correct?

11 A It could be.

12 Q And among your archives documents you had
13 information respecting the founding Church of Scientology
14 in Washington, D.C.; is that correct?

15 A Something about that, yes.

16 Q And you knew from your archives material that
17 Marilyn Routsong was an executive of the founding church in
18 the District of Columbia; is that correct?

19 A It may be amongst the materials. It doesn't stick
20 out in my mind as something that I recognized at the time.

21 Q Do you know, Mr. Armstrong, as you sit there now
22 from your memory of what was in the archives where L. Ron
23 Hubbard was from 1950 to 1952?

24 A I can tell you roughly where he was.

25 Q Tell me roughly where he was, Mr. Armstrong.

26 A At the beginning of 1950 he was in Bayhead, New
27 Jersey. For a period of time in 1950 he was in Elizabeth,
28 New Jersey.

1 Later in the year -- he traveled throughout 1950
2 a number of places. He spent a considerable amount of time
3 in 1950 in the Los Angeles area.

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1 In the beginning of 1951 he was both in
2 Los Angeles and then in Palm Springs, spent a few weeks
3 in Palm Springs. Returned to Los Angeles. Went to Elizabeth,
4 New Jersey and then to Cuba.

5 He was in Havana, Cuba for a few weeks or
6 perhaps a month, but in any case that was in the spring
7 or late winter, I guess, of 1951.

8 Then he went to Wichita, Wichita, Kansas
9 and he stayed in Wichita, Kansas for a great deal of 1951
10 through the beginning of 1952 at which point he went to
11 Phoenix and he was in Phoenix throughout a lot of 1952
12 up to a point when he went to the U.K., and then in December
13 of 1952 he returned from the U.K. to Philadelphia.

14 Then, I believe, at the end of December
15 or some time in late December 1952 he returned to the
16 U.K.

17 Q Now, this time track -- is that the word
18 that you used for these years? This would be what you'd
19 call a time track?

20 A It is a chronology.

21 Q This was obtained from the documents that
22 you had available in archives?

23 A Well it was obtained from various sources
24 to be able to document it, but, yes.

25 Q And did you interview anyone from the period
26 1950 through '52 that was around LRH at the time?

27 A Yes.

28 Q Who was that?

23-2

1 A There was man by the name of Jack Spears.
2 There was a man by the name of Perry Chapdelaine.

3 There was a man by the name of Lou Goldstone.
4 There was a woman by the name of Barbara Snader. There
5 was a man by the name of Richard de Mille. Those are
6 the ones that I recall right now.

7 Q And did you interview anyone who was in
8 Phoenix with Mr. Hubbard?

9 A John Fudge was in Phoenix with Mr. Hubbard.

10 Q And you interviewed Mr. Fudge?

11 A Yes.

12 Q And in your interview with Mr. Fudge, did
13 he discuss with you Marilyn Routsong?

14 A The name Marilyn Routsong has come up a
15 number of times.

16 Q Did you make any attempt to locate Miss
17 Routsong?

18 A I am pretty sure I had down her name and
19 possibly addresses, an address for her, although it doesn't
20 stick in my mind. She may have been interviewed regarding
21 the biography project, but I did not do the interview.

22 Q Well do you have any information that anybody
23 else interviewed her for the biography project?

24 A It is very possible because there was two
25 other people who were doing interviews specifically of
26 old-time Dianeticists and Scientologists and we had a
27 long list of potential people to be interviewed.
28

1 It is very possible; although, again, I don't
2 recall all of that type of person who was interviewed. She
3 may have been, but I didn't do it.

4 Q These two people, who were they?

5 A One of them was -- Tom Francis was his name.

6 The other one, his name was Francis Scheuer,
7 S-c-h-e-u-e-r, I believe.

8 Q And these were people who were working for either
9 yourself or Mr. Garrison?

10 A Tom Francis was. He was in the -- LRH PR Bureau
11 in Los Angeles. He was the LRH PR pac.

12 So he did a number of interviews at the request
13 of Laurel Sullivan in conjunction with the biography project.

14 Francis Scheuer was a paying PC, a paying student.
15 And he did it on a voluntary basis.

16 Q And these two gentlemen would deliver up their
17 interview notes to you?

18 A Well, they delivered to me generally the cassettes
19 of the interviews which they did.

20 Tom Francis, at least, typed up some of the
21 interviews which he had done.

22 I don't know if Francis Scheuer typed them up
23 or not. I don't recall seeing any transcripts from him.
24 I did from Tom Francis.

25 Q Do you recall either a cassette or a transcript
26 or a write-up on an interview of Marilyn Routsong?

27 A I don't recall, but it is possible that it was
28 done by one of those people or someone else in conjunction

1 with the project.

2 Q You also were aware that Marilyn Routsong was
3 treasure Worldwide for a period of time in the late '50's
4 and early '60's; is that correct?

5 A I have seen correspondence to her in which she
6 is noted as treasurer, I believe, at least they were regarding
7 financial matters from Mr. Hubbard.

8 MR. HARRIS: I'm about to get to the sealed documents
9 here, Your Honor.

10 Q Now, directing your attention to exhibit 500-5A,
11 a big packet to Constantine Diamontides, right, Greece?

12 A Okay.

13 Q Is that your writing, by the way, on that?

14 A No.

15 Q Do you know whose it is?

16 A Which writing are you referring to?

17 Q "LRH Handwritten dispatches to Constantine
18 Diamontides."

19 A No. My guess is that it is Pers Sec WW in that
20 these all came from her files.

21 Q And you put those in some sort of chronological
22 order pursuant to your system?

23 A No.

24 Q Did you simply -- strike "simply" -- what did
25 you do with those when you first got them from Pers Sec WW?

26 A Well, they were --- until I gave them to
27 Mr. Garrison, they were just like this.

28 Q Meaning in the same order that they appear in

1 exhibit 500-5A?

2 A Basically. I may have rearranged them in
3 chronological order to sort them out. But in that I didn't
4 copy these, I can't really tell you if I did that or not.

5 They appear to be now in more or less chronological
6 order with the latest date up front.

7 Q And did you interview anybody about the period
8 of 1967 that that correspondence covers?

9 A I don't believe, not specifically relating to
10 these materials, no.

11 Q Well, did you interview anybody at all who was
12 with L. Ron Hubbard in 1967?

13 A I don't recall if I interviewed anyone on that
14 period.

15 Mr. Garrison interviewed a number of people.

16 Q Well, did you get the benefit of his interviews?

17 A I heard at least some of them or pieces of them.
18 But I don't know the interviews in depth that he would --

19 Q And how about the period 1966? Did you interview
20 anybody who was with L. Ron Hubbard in 1966?

21 A I don't recall. If I did, it doesn't come to
22 mind right now.

23 Q When did you get the Pers Sec WW files, by the
24 way?

25 A The ones which I obtained from there directly,
26 I obtained in September, 1980.

27 The ones which came via the Controller's office,
28 sometime later; so it would have been 1981.

25-1

1 Q So at least as early as September 1980,
2 you had the documents which are in 500 5A; is that correct?

3 A No, I probably got these from the Controller's
4 archives late in the year 1981.

5 Q When you say "probably," do you have a recollection
6 as you sit there now whether you got the items in 500 5A in
7 September 1980 or from the Controller's archives?

8 A I could not say with absolute certainty,
9 but my best recollection is that those materials came
10 from the Controller's archives.

11 Q And in 1966 where was Mr. Hubbard?

12 A Well, he was during part of that year in
13 Rhodesia. Part of it I believe he was in Morocco, and
14 he also may have been in Las Palmas that year although
15 perhaps not as extensively as in 1967.

16 Q And during the period that he was in those
17 locations do you ^{know} from the documents in your archives/ what
18 he was doing?

19 A I can tell you some of what he was doing.

20 Q Well what was he doing in Las Palmas if
21 you know?

22 A Well he was supervising -- he had a villa
23 in Las Palmas, but he was also supervising the refit of
24 some vessels.

25 Q In which vessels were those?

26 A I believe the -- they then called it the
27 Avon River, definitely Avon River, but I am not sure
28 if the sailing vessel -- what did it later become -- Excalibur--

25-2

1 the Diana.

2 Q And was there anything else in your archives that
3 you discovered --

4 A Enchanter.

5 Q Sorry?

6 A The name of the sailing vessel was the Enchanter.

7 Q Other than refitting a vessel which was the
8 Enchanter or became the Enchanter, do you know what else
9 Mr. Hubbard was doing at Las Palmas in that period?

10 A Well he was creating some OT-3 processing. He was
11 creating something called the Wall of Fire. He was operating
12 Scientology.

13 Q From Las Palmas; is that correct?

14 A Yes. He operated it wherever he was.

15 Q Wherever he was, no matter where he was he
16 operated Scientology?

17 A Uh-huh.

18 Q You sent exhibit 500 5D to Mr. Flynn because it
19 showed, among other things, that there were some undated
20 resignations and there was a master list on there; is that
21 correct?

22 A That is correct.

23 Q Now do you know from what period of time those
24 undated resignations were?

25 A Not all of them, no.

26 Q Do you recognize the names of the people who
27 appear on the undated resignations as people who were involved
28 in Scientology organizations after 1966?

25-3

1 A Well, yeah, a lot of these people were involved
2 after 1966.

3 Q Now do you know from what period these undated
4 resignations are?

5 A They are not current. I can tell you that. How
6 far back they go, I don't know.

7 Q And did you see the actual undated resignations?

8 A No, I didn't.

9 Q This appears to be an index of valuable documents;
10 is that correct?

11 A Yes, from the Pers Sec archives.

12 Q Is there something you wanted to look at on that
13 page?

14 A Yes, thank you.

15 Q Did you ask the Pers Sec for any of the actual
16 documents that exhibit 500 5D is an index of?

17 A I am not sure if I did or not. I will have to
18 refresh myself here. I think I had -- I think I had all these.
19 This was an index of the materials which I had in the Pers Sec
20 archives.

21 Q You didn't have the undated resignations at the
22 back?

23 A Well I never located them or looked at them,
24 but a lot of these things are definitely materials which I had.
25 This is an inventory to the Pers Sec archives.

26 Q Well, why is it labeled "LRH Val Docs"?
27 By the way, is that your label?

28 A No.

2 4
1 Q Was it on that package when you received it?

2 A Yes.

3 Q And this is an item that you gave in its present
4 form to Mr. Garrison; is that correct?

5 A Yes.

6 Q And your purpose of giving it to him was to
7 show him an inventory of the items that you received from the
8 Pers Sec office?

9 A Yes, in case there was anything in there which he
10 wanted me to locate specifically.

11 Q And did he make any requests of you from --

12 A I don't recall if it came up or not. The Pers
13 Sec archives, there was probably 20, 30 boxes of material, much
14 of which I did not copy for him. But I took some of the
15 material and copied it and I provided him this thing in case
16 he wanted to go through it and pick out anything that was in
17 here.

18 Q So you used this item which is 500 5D as an index
19 of the Pers Sec WW files?

20 A No. This is Pers Sec US.
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1 Q Pers Sec U.S.?

2 A Right.

3 Q Containing correspondence relating to that Greek
4 fellow; is that correct, the previous exhibit, Diamontides?

5 A I am not sure.

6 What was your question?

7 Q I just asked if in the Pers Sec U.S. files was
8 the correspondence related to Mr. Diamontides?

9 A Well, what I said earlier was -- and my
10 recollection of it is -- that that particular file came from
11 Controller archives.

12 Now, there are references. There is HEC and there
13 are things which would tie into it which are contained --

14 Here is "HEC, Greek companies; correspondence
15 and agreements with Diamontides made by LRH."

16 That is something different. But it is all tied
17 to -- here is HEC again.

18 Q You just pointed to, ". . .correspondence and
19 agreement with Diamontides of HCO Athens, two notebooks."

20 You are quite certain that this doesn't refer
21 to the last exhibit that you saw; is that correct?

22 A I don't believe so. I'm sure that would have
23 been called a file.

24 Q All right. Did you ever get the two notebooks
25 referenced in item No. 37 in this index?

26 A I don't recall if I had them or not. If I did,
27 they -- again, they don't register in my mind.

28 Q All right. Exhibit 500-5E, how is this particular

1 exhibit organized by you for purposes of the biography if
2 at all?

3 A I don't believe it was organized by me.

4 This probably came out of a couple of files now
5 under seal. And I simply delivered it to Mr. Garrison, a
6 group of materials dealing with Hubbard Explorational Company.
7 So it may or may not be in order. It doesn't look like it
8 is in order.

9 Q Did you, among the HEC documents, find any
10 dividends being paid?

11 A I don't recall anything like that.

12 Q Did you interview any of the former directors
13 of HEC?

14 A Let me think. Well, Hank Laarhuis was
15 interviewed.

16 Q By you?

17 A No.

18 Ray Thacker, I believe, was interviewed.

19 Q By you?

20 A No; probably Francis Scheuer.

21 Q Did you receive the fruits of Francis Scheuer's
22 interview?

23 A I am pretty sure.

24 Q And those interviews were in your archives area?

25 A I believe so. It was among a whole bunch of
26 interviews which he did.

27 I seem to recall those people having been done,
28 but, again, there were so many done I can't say for sure.

1 But I recall those people.

2 Q Do you recall any specific interview with either
3 of them that had to do with HEC?

4 A No.

5 Q You don't know, or no?

6 A I don't recall anything within the interview if
7 I even listened to it; although I think I heard Ray Thacker's
8 interview. I don't recall the subject of HEC at that time.

9 Q Do you recall from any of your documents why HEC
10 was formed?

11 A By which do you mean what was going on at that
12 time?

13 Q Yes.

14 A Which would necessitate it being formed?

15 Q Yes.

16 A Okay. Around the same date --

17 Q Which was what when HEC was formed?

18 A During the '66-'67 period.

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27-1

- 1 Q Right.
- 2 A There was -- Mr. Hubbard was under investigation.
- 3 Q By whom?
- 4 A Well I believe -- he mentions the IRS at one
5 point and he mentions whatever the British equivalent is.
- 6 Q Inland Revenue?
- 7 A Inland Revenue.
- 8 Q Right?
- 9 A Okay.
- 10 Q So his taxes were under investigation?
- 11 A Uh-huh.
- 12 Q And that is what you got from the documents that
13 are in the archives?
- 14 A I am telling you about what was going on at that
15 period.
- 16 Q From the documents in your archives; right?
- 17 A That is correct.
- 18 Q Okay.
- 19 A Also, there was attempts to get Mr. Hubbard served
20 during that period.
- 21 Q Who was making such attempts?
- 22 MR. FLYNN: I wasn't around then, Your Honor.
- 23 Q BY MR. HARRIS: From the documents in the archives?
- 24 A I believe -- there may be a newspaper suit which
25 was going on although I don't at this point recall the name of
26 what it was, but within the documents is a note from Mr. Hubbard
27 regarding service and regarding his not being around for service,
28 and he won't be around for service.

27-2

1 Q In the period when HEC was being formed?

2 A That's right, in the '66-'67 period.

3 Q Is that document in the documents under seal,
4 Mr. Armstrong?

5 A There is something like that.

6 Q Do you recall what package there is something
7 like that?

8 A I may be able to locate it.

9 Q All right. Were you aware of something called
10 the Sea Project at that time?

11 A Yes.

12 Q From the documents in your archives --

13 THE COURT: Have you ever finished your explanation of
14 why this HEC was formed or have we abandoned that subject?

15 THE WITNESS: No, I think he's into it again, Your Honor.

16 MR. HARRIS: He knows more than --

17 Q Do you recall the question?

18 A Did I know of the existence of the Sea Project?

19 Q Yes.

20 A Yes.

21 Q And did you interview anyone in the Sea Project?

22 A I don't know if I did, but there were a number of
23 interviews done from that period.

24 Q And who were the members of the Sea Project
25 who were interviewed and by whom?

26 A Well, Laurel was interviewed by Omar Garrison.
27 Ron Pook was interviewed by Omar Garrison.

28 I believe Leon Steinberg, possibly a part of that,

27-3

1 he was interviewed. There were -- Hana Eltringham, there were
2 a number of people who were interviewed from the Sea Project
3 or from that period.

4 Q And you had access to these interviews?

5 A I had access. I did not listen to many of them.
6 I listened to parts of some of the interviews.

7 Q The documents that you had about the Sea Project,
8 do you recall what they were?

9 A Well there was one under seal which had to do with
10 Sea Project finances.

11 Q Yes.

12 A Some of the original orders referred to the
13 Sea Project. I have seen a lot of them. I do not have any
14 of them in archives. That is principally it right now.

15 Q Was there amongst the documents that you had in
16 the archives a document which talked about forming a land base?

17 A Yes.

18 Q Outside of England?

19 A Yes.

20 Q And do you know whether in 1966 as L. Ron Hubbard
21 was in Las Palmas and so on that there was work going on
22 attempting to find a land base?

23 A I have seen documents to that effect.

24 Q Did you pretty much document for the biographical
25 purposes the time track of that period, Mr. Armstrong?

26 A No, not in the depth that I had earlier years
27 principally because Mr. Garrison was not up to that point at
28 that time, but I was able to assemble at least some material

27-4

1 dealing with those years in the '60's and '70's.

2 Q But as far as the completeness of it, you didn't
3 feel that it was complete?

4 A Probably not. I got together what I could.

5 As I say, Mr. Garrison had not written that part.
6 There was going to be holes and we were going to have to fill
7 it in, but during a great deal of that period it is very complete.
8 During other small parts it is not.

9 Q Is there some particular area of Mr. Hubbard's
10 life, Mr. Armstrong, that you felt that you had totally
11 researched?

12 A No.

13 Q Was there some part of Mr. Hubbard's life,
14 Mr. Armstrong, that you felt that you had an adequate
15 job of researching such that a biography could be written
16 from your materials?

17 A Oh, I think that the whole I did sufficiently
18 well for a biography to be written, a biography of enough
19 detail and with enough weight to show what the man's life
20 had been about.

21 Obviously L. Ron Hubbard himself was not
22 going to be available to be interviewed and to cross-check
23 anything.

24 Q Well, let me ask you this --

25 A But I think that the matter of material
26 and the detail of the material would lend itself to the
27 creation of a very thorough biography.

2R-1

1 Q Let me ask you this: you have testified,
2 as I recall, that L. Ron Hubbard controlled all of Scientology;
3 right?

4 A That is correct.

5 Q And that he had Commodore's messengers who would
6 pass messages on to him; right?

7 A That is correct.

8 Q And in turn they would pass these messages from
9 him to others; right?

10 A Yes.

11 Q And during the period while you were on the
12 archives post was there a messenger on duty?

13 A Well, there may have been. Initially there
14 certainly was.

15 Q You didn't know if there was a messenger on duty,
16 let's say, in 1981?

17 A When I began the archives post, which is what
18 you said, there definitely was a messenger on duty.

19 I routed the dispatch via the messenger on duty.

20 Mr. Hubbard left taking with him two messengers;
21 no communication to Mr. Hubbard went to him without going
22 via the messengers. So there was a messenger on duty.

23 Additionally, the CMO throughout that period even
24 maintained a messenger on duty in the CMO. It may have been
25 a symbolic gesture, but there certainly was M on D throughout
26 at least some of that period.

27 Q Directing your attention to 500-5H, did you find
28 that this resignation as trustee had been filed any place?

1 A I didn't find that.

2 Q Were you aware of an entity called The United
3 States Churches of Scientology Trust?

4 A I don't know if I recall that exact name.

5 Q Do you recall having any documents in your
6 archives about The United States Churches of Scientology
7 Trust?

8 A I believe that within the materials that relate
9 to Mr. Hubbard's control of Scientology finances after 1966,
10 there are mentions of that or, at least, some trust.

11 Q What materials specifically are you recalling
12 now? Can you tell me more specifically what it is that you
13 recall?

14 A I could probably locate it from amongst the
15 documents here in this court.

16 Q Can you give us a little better description of
17 it at this time? What is it? Is it a trust agreement? What
18 is it?

19 A There's a reference -- I believe it is a reference
20 to that in Mr. Hubbard's communications regarding -- I think
21 this was in '67 or '68 -- regarding getting the -- he called
22 it the pay back of the LRH good will and obtaining the
23 10 percents and how they were to be sent via Saint Hill to
24 him.

25 Q Did you interview Derek Field?

26 A No.

27 Q Do you know who Derek Field is?

28 A I have heard the name. U.K. Scientologist.

1 Q And Chartered Accountant?

2 A Yes. I met him.

3 Q Did you have any accountings for United States
4 Churches of Scientology Trust?

5 A I don't believe so.

6 Q When you say you met with him, where did you meet
7 him?

8 A In Los Angeles.

9 Q When was that?

10 A He was there for the IRS case. It would probably
11 be the spring of 1980.

12 Q Did you interview him or take the opportunity
13 to interview him while he was there?

14 A No, I didn't.

15 Q Who was the treasury sec WW at the time 500-5X
16 was prepared if you know?

17 A This says Robert Draper.

18 Q Did that comport with the other documents that
19 you had in your possession?

20 A How do you mean "comport" with them?

21 A Well, the date of that is 7 March, '68.

22 A Okay.

23 Q Did you know that Mr. Draper was the treasury
24 sec WW in 1968? That is, from your other documents?

25 A It didn't mean anything to me.

26 Q What is OTL WW?

27 A Operation Transport Liaison Worldwide.
28

29-1

1 Q Did you have in your archives some articles
2 of incorporation of something called OTS?

3 A Well I am not sure if we had the OTS articles
4 or not. They were on the ship, but I don't recall right
5 now if I had the OTS articles.

6 Q When you say they were on the ship, where
7 did you see them on the ship?

8 A In the port captain's office.

9 Q Was that a Panamanian corporation as far
10 as you know?

11 A OTS?

12 Q Yes.

13 A You know, I am just not completely sure.

14 It seems to me that the ship had a Sierra
15 Leone flag when they were under OTS, but I don't recall
16 right now if the OTS was Panamanian or Liberian or maybe
17 even British. I just don't recall that.

18 Q What did you understand the relationship
19 between HEC and OTS to be, if any?

20 A From the documents it looked like HEC or
21 OTS was the successor of HEC, or that they just scrapped
22 -- Hubbard scrapped HEC and created OTS, using the same
23 individuals, the same personnel to man it or to make money
24 for it, those who had been in the Sea Project or the Sea
25 Organization.

26 Q Were you aware from the documents that you
27 had in your archives, Mr. Armstrong, that the Church of
28 Scientology of California, UK branch was chartering a

2° 2
1 ship from HEC?

2 A Yes, I had seen that.

3 Q And were you aware that the Church of Scientology
4 of California was sending money to HEC for the ship?

5 A I believe I had seen too.

6 Q And was it your understanding from the documents
7 that you sent to Mr. Flynn that that money sent by the
8 Church of Scientology of California, UK branch was all
9 going to L. Ron Hubbard?

10 A Was it my understanding that that was the
11 case?

12 Q Yes, from the documents that you had.

13 A No.

14 Q Did you see the HEC -- can I have the exhibit?

15 A Yes.

16 Q Did you see the HEC accounting for the years
17 that it was in existence?

18 A There is some accounting. I have not seen
19 any total accounting for the company.

20 Q When you say "some accounting," you mean
21 among the documents that are under seal here?

22 A Yes.

23 Q You specifically recall seeing OTS articles
24 of incorporation aboard the ship?

25 A Something to do with OTC and my recollection
26 is -- or OTS, and my recollection is that there were articles
27 there or a similar document if it -- that is my recollection.
28 It was either articles or a document which is similar

1 in some way to articles.

2 Q Speaking, by the way, of the LRH goodwill
3 account, did you see any accountings within the documents
4 that you had in the archives for that particular account?

5 A I have seen some materials on it. There
6 was a program to create it and I don't know if that program
7 is under seal or not.

8 Q And did you know if the program actually
9 happened?

10 A Yes, I saw reports from the program, from
11 the people who were involved in establishing the debt
12 or the goodwill repayment.

13 Q This was something that someone had toted
14 up what supposedly was owed to L. Ron Hubbard?

15 A It was the program to get that done.

16 Q Did you see the product of the program,
17 Mr. Armstrong, among the documents that you had under
18 seal?

19 A I don't recall if it is under seal or not.
20 I did see such a product and I don't know if it was the
21 completed thing or if it is the only one in existence
22 or not. That is if it was a -- the final product. It
23 had to do with that goodwill program.

24 Q Did you see any documents under seal,
25 Mr. Armstrong, where L. Ron Hubbard forgave the debt that
26 was supposed to be toted up on the LRH goodwill project?

27 A I had seen something like that. I don't
28 think under seal.

1 Q Elsewhere?

2 A Yes.

3 Q Directing your attention to exhibit 500 5D,
4 there appears to be an accounting of some Swiss accounts which
5 you in your direct testimony, I believe you said, you
6 sent to Mr. Flynn for your defense?

7 A Okay.

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1 Q Now, I am talking about just the page which I have
2 here.

3 What was the Scientology Mission account from
4 the documents that you had under your control in the archives,
5 Mr. Armstrong?

6 A I am not familiar with the accounts or what
7 exactly they are.

8 My understanding of Scientology Mission account
9 or, at least, the current ones are the monies made up from
10 the 10 percents sent by the missions. But I really don't
11 know. That may be referring to a particular mission.

12 Mr. Hubbard ordered that -- certainly, in 1966 --
13 that his trip to Rhodesia where, on the one hand he was
14 claiming that he went there to set up a farm and other things
15 like that, he later claimed that this was to be billed as
16 a Scientology Mission. So that may be that account. I don't
17 know exactly what that is.

18 Q So after you get through with all the speculation,
19 did you have a document which told you in the archives what
20 the Scientology Mission account was?

21 A no.

22 Q Did you have a document which covered the LRH
23 blocked accounts cover guarantee?

24 A No.

25 Q Do you know what that was?

26 A No.

27 Q Do you know whether that was a loan to a South
28 African Scientology entity?

2
1 A I don't know.

2 Q No knowledge?

3 How about the LRH dollar trustee account? Did
4 you have any documentation, Mr. Armstrong, about that account
5 in your archives?

6 A There was some information, yes.

7 Q And how about the LRH Pound trustee account; did
8 you have any information on that?

9 A There was some information on that subject as
10 well.

11 Q Did you understand these to be LRH personal
12 accounts?

13 A no. They were -- technically they were not
14 personal accounts; legitimately they were not personal
15 accounts.

16 Q These from your knowledge of the items in the
17 archives documents; is that correct?

18 A Yes.

19 Q In fact, Mr. Armstrong, among all your documents
20 in the archives, you didn't have a complete accounting for
21 any account; did you?

22 A That is correct.

23 Q Nor did you speak with anybody who had
24 responsibility for such accountings; correct?

25 A During what time and --

26 Q Well, did you speak with Derek Field, who was
27 responsible for some accountings during that period?

28 A No.

1 MR. FLYNN: Is Mr. Harris waiving the MCCS Mission,
2 Your Honor, in regard to speaking to people about accounts?

3 MR. HARRIS: May I ask my next question, Your Honor?

4 THE COURT: Yes.

5 Q BY MR. HARRIS: Mr. Armstrong, with respect to
6 exhibit 500-6A, this is in L. Ron Hubbard's handwriting; is
7 that correct?

8 A Yes.

9 Q And you are using exhibit 500-6A to show that
10 L. Ron Hubbard still had control of, at least, the Church
11 of Scientology of California U.K. during the period of time
12 when he allegedly resigned as a director; is that correct?

13 A No.

14 This is dated July, '66. And he allegedly
15 resigned as a director on 1 September, '66.

16 Q So why did you send that document to Mr. Flynn?

17 A Because it assists in adding up the whole picture
18 of Mr. Hubbard's control and what he even did just prior --
19 in advance of his supposed resignation.

20 Q Were you aware, Mr. Armstrong, that as a United
21 States citizen living in England Mr. Hubbard could not be
22 paid as an employee of any organization?

23 MR. FLYNN: I object, Your Honor. That calls for a
24 legal conclusion.

25 THE COURT: Are you asking if he could legally do so?
26 There's nothing stopping him from getting paid if he wants
27 to, is there?

28 Q BY MR. HARRIS: Let me ask you this: did you

1 find out from the documents that it was the understanding
2 of the people at the Church of Scientology of California U.K.
3 that Mr. Hubbard could not be paid a salary while he was in
4 U.K.?

5 A Do you mean if that was the understanding of
6 Mr. Hubbard?

7 Q No. I asked if from the documents you were able
8 to ascertain that the people at U.K., that is, the Church
9 of Scientology of California U.K. who were in the finance
10 and so on area thought that Mr. Hubbard couldn't get paid?

11 THE COURT: Do you mean legally?

12 MR. HARRIS: Legally.

13 THE COURT: As distinguished from physically?

14 MR. HARRIS: Yes, legally.

15 THE WITNESS: I don't know about that.

16 Q BY MR. HARRIS: Directing your attention to
17 exhibit 500-6B, can you date that for me? I don't see the
18 end number on that.

19 A It looks like 10 March, 1967.

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31-1

1 Q Where was Mr. Hubbard at that time?

2 A He may have been in Las Palmas.

3 Q Well that was in '66, was it not?

4 A Well he was there later as well.

5 Q In any event, it appears that Mr. Hubbard
6 was in Las Palmas when that letter was written?

7 A Very possibly.

8 Q Now this is a letter from Mr. Hubbard to
9 his wife; is that correct?

10 A Yes.

11 Q Please turn to page 9, the first paragraph,
12 "Orgs sure act like it was their dough."

13 A Where is your page 9?

14 Q Well I hope it is the same as your page 9 or
15 we are both going to be in trouble.

16 A Okay, I have two letters here.

17 Q Two being an original or one a copy or both
18 copies.

19 A Two letters.

20 Q All right. I am referring to the one again
21 -- I can't tell the date; can you, by the context of it?

22 A 10 March, '67.

23 Q And as far as you could tell, Mr. Hubbard
24 was in Las Palmas when that was written?

25 A Yes.

26 Q Would you please read to yourself the paragraph
27 which begins, "Orgs sure act like it was their dough."

28 THE COURT: It is a long paragraph.

1 THE WITNESS: Okay.

2 Q BY MR. HARRIS: You have read it?

3 A Yes.

4 Q From the documents that you had in the archives,
5 Mr. Armstrong, did you research what Mr. Hubbard was saying
6 in this letter to his wife from Las Palmas?

7 A Yes.

8 Q All right. He said, "I get no financial
9 support from Orgs."

10 What is an Org, by the way?

11 A An organization.

12 Q (Reading:)

13 "Yet look at my booming of St. Hill from
14 April '64."

15 Did you have something which specifically
16 was different than that?

17 A Oh, yes. The whole picture is different
18 from this. This is just a standard lie which he gave
19 to everyone.

20 Q That he is telling his wife as he is writing
21 her; is that right?

22 A He lied to her continually.

23 Q I see. Specifically what did you have that
24 showed that that was not true, Mr. Armstrong?

25 A Showed his control of Scientology funds
26 throughout that period in which he had virtually whatever
27 he wanted.

28 Q Some specific document that you have in

1 mind where LRH got some support from the organizations,
2 Mr. Armstrong?

3 A I think we could put it together just with
4 the small amount of documents here under seal.

5 Q Do you have a specific one in mind?

6 A No but I could find the documents here.

7 Q All right. Look on the next page:

8 "It sure is a one-way flow and I sure am
9 sick of it."

10 MR. FLYNN: Would you like one document, Mr. Harris?

11 THE COURT: Well, now, Counsel, don't interrupt.
12 You will have a chance on redirect.

13 Q BY MR. HARRIS: (Reading:)

14 "The whole 100,000 pounds has now gone
15 for activities to assist Scientology."

16 Do you see that?

17 A Okay.

18 Q What 100,000 pounds was that, Mr. Armstrong,
19 based on your research into what Mr. Hubbard said in this
20 letter?

21 A In this letter, I'd have to go back to find
22 exactly what it is. There is 100,000 pounds referenced
23 throughout this money -- or throughout this period to
24 Mary Sue. I cannot tell you exactly right now which 100,000
25 that is, whether or not it was money which he took or
26 whether or not it was 100,000 which he ^{was} given to set up
27 a Scientology organization somewhere or whether or not
28 it is a hundred thousand for the ships. I don't know.

1 He is still getting his 10 percents here
2 and this is 1967.

3 Q Where does it say he is getting his 10 percent,
4 Mr. Armstrong?

5 A (Reading:)

6 "I can't protect myself and my 10 percents
7 until" --

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1 Q Until; right. Now, does it say that Mr. Hubbard
2 is getting --

3 A ". . .I'm anxious to remove the Swiss funds to
4 safer ground."

5 Q Yes. What specific document do you have in mind
6 in respect to the \$100,000 pounds, Mr. Armstrong?

7 A I'm not sure, but I can find references during
8 this period to the \$100,000 pounds. What exactly that is
9 at this point, I do not know.

10 Q Next page: ". . .sometimes I think maybe people
11 don't see what I am doing."

12 Do you find that?

13 A That sounds true.

14 Q ". . .sometimes I think people don't see what
15 I'm doing at all. Marilyn is trying to add my \$140,000 or
16 so mission to the SH Org balance sheet"; do you see that?

17 Who is Marilyn, by the way?

18 A That is probably Marilyn Routsong.

19 Q The one you didn't interview?

20 A The same Marilyn Routsong I didn't interview.

21 Q Right. Do you know about that \$140,000,
22 Mr. Armstrong?

23 A No. I sure would like to, but I don't.

24 Q You didn't have anything in your archives which
25 explained that \$140,000?

26 A Maybe. You know, there is some accounting
27 materials here. And it is real possible. But I don't recall
28 right now what the 140 is.

1 Q May I see that for a second so I can turn you
2 to another page?

3 About the middle of the page, ". . .I just can't
4 get over an Org's general attitude."

5 A It starts up above that.

6 ". . .now I am about to put in
7 a new type course as the money maker of the
8 age. . ."

9 Q Yes. ". . .and I am doing it with my own funds
10 again. . ."; is that correct?

11 A Right.

12 Q And ". . .I just can't get over an Org's general
13 attitude."

14 A That was a continual problem.

15 Q ". . .I had a collection committed but no money
16 collected"; do you see that?

17 A No. That is "a committee." It says, "I had a
18 collection committee."

19 Q But what --

20 A ". . .but" -- something on -- "this later. No
21 money collected."

22 Q "It is almost a joke"?

23 A It was a joke.

24 Q ". . .make millions for us. Do and pay for all
25 research. Keep yourself and we. Why we will be grateful
26 for our jobs and a new life and we'll say thank you Ron."

27 Is that what it says? This is to his wife.

28 A He is a very benevolent man.

1 Q ". . .but we can't seem to write you any checks
2 or pay any cash debts to you."

3 Now, there's another reference to the 140,000
4 pounds.

5 ". . .the way I had to fight last year to get
6 one note done and pay. . ." Then there is the 100,000 pounds.

7 Do you see that?

8 A Uh-huh.

9 Q Did you have such a note in the documents in the
10 archives?

11 A Well, there are references to it.

12 Q Now, ". . .finds we in expending funds without
13 funds and selling my house to meet the project. . ."

14 Do you recall that?

15 A Yes. The word there is "me." It is "finds me."

16 Q "finds me without funds" --

17 A ". . .expending funds and without funds and selling
18 my house to complete the project."

19 Q Being aware of the history of Saint Hill, you
20 knew that it had originally been purchased as L. Ron Hubbard's
21 personal house; right?

22 A That is correct.

23 Q And you also knew that the organization began
24 taking it over piece by piece; right?

25 A No. I wasn't aware of that.

26 Q Were you at Saint Hill, at any time,
27 Mr. Armstrong?

28 A Yes.

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1 Q And did you see the buildings there and were you
2 given a tour?

3 A Well, I saw the buildings.

4 Q You weren't given a tour?

5 A I was a part of the Manor house.

6 Q The Manor house being the house that Mr. Hubbard
7 is referring to in the letter?

8 A Right.

9 Q And did you see a deed of the sale of the Saint
10 Hill Manor from L. Ron Hubbard to the Church of Scientology
11 of California U.K. in your archives documents?

12 A I believe there is something to that effect.
13 There is information under seal about that sale.

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1 Q And I take it you were aware that Mr. Hubbard
2 didn't even get all the money from the sale from the documents
3 within your own archives, Mr. Armstrong?

4 A No, he got all the money.

5 Q You know that?

6 A In fact I think that the sale price was
7 a little high.

8 Q You think the sale price was a little high?
9 Do you know what Mr. Hubbard purchased it
10 for from the documents in your archives, Mr. Armstrong?

11 A No, I don't recall.

12 Q Do you know what the final sales price was,
13 Mr. Armstrong?

14 A I think a million dollars.

15 Q And what document shows you that, Mr. Armstrong?

16 A There is something under seal or in the
17 archives about it. There is a mention there about the
18 transfer and how to work it out and see if you can make
19 it -- the sale of a business. He called it the sale of
20 a business.

21 Q Now you are talking about some document
22 that you have that is under seal that you can find for
23 us that says that St. Hill Manor was sold to the Church
24 of Scientology of California, UK for a million dollars,
25 Mr. Armstrong?

26 A I do recall seeing that somewhere. Whether
27 or not that was the final price, I don't know. I really
28 don't.

1 Q The fact is you really didn't have any accountings
2 from the period to figure out what Mr. Hubbard got or
3 what he didn't get; isn't that true, Mr. Armstrong?

4 A No. All I saw -- there is a reference to
5 a million dollars at one point, and there is also a
6 statement about -- there is a price laid down on another
7 document and there is another statement in which he asks
8 to make it the sale of a business. Those things are here.

9 Q Mr. Armstrong, is it your state of mind
10 as you sit here right now -- I will take the exhibit --
11 that Mr. Hubbard received a million dollars for the sale
12 of St. Hill Manor?

13 A Well, I don't really know what he received.
14 I do know that he continually cried the blues about how
15 organization staff members were ripping him off, and I
16 think that that was not the case. It was simply his psychosis
17 manifesting itself in order to keep everyone else subjugated
18 and thinking that they were indebted to him for saving
19 their lives, so that is my state of mind.

20 THE COURT: Well, with that we will take a 15-minute
21 recess.

22 (Recess.)

23 THE COURT: All right, we are back in session.

24 Mr. Armstrong, please state your name again
25 for the record, sir. You are still under oath.

26 THE WITNESS: Gerald Armstrong.

27 THE COURT: You may continue, Mr. Harris.

28 MR. HARRIS: Thank you, Your Honor.

1 Q Mr. Armstrong, directing your attention to
2 exhibit 500 7F, as I recall your testimony, you said that
3 you sent that to Mr. Flynn because it showed Mr. Hubbard
4 using someone else's name to front for him; is that correct?

5 A Yes. Well, this tied into another document,
6 something written by this Tom Esterbrook.

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1 And it is mainly to show that the other documents
2 written by Tom Esterbrook was written by Mr. Hubbard. And
3 that had to do with Mr. Hubbard being awarded a PhD and that
4 one was authored by Tom Esterbrook who, as this shows, was
5 in fact L. Ron Hubbard.

6 Q Mr. Armstrong, during your research of the area
7 of L. Ron Hubbard as an author you discovered documents in
8 your archives which showed that L. Ron Hubbard used various
9 pen names; is that correct?

10 A Yes.

11 Q And the name Tom Esterbrook does not strike you
12 as being one of his pen names?

13 A Well, I know it to be one of his pen names.

14 Q And I take it within the archives you had other
15 documents which in Mr. Hubbard's writing is the name Tom
16 Esterbrook; is that correct?

17 A That is correct.

18 MR. HARRIS: Your Honor, I have an exhibit, handwritten,
19 "The Devil's Argument by Tom Esterbrook"; may that be marked
20 next in order?

21 THE COURT: All right. 56.

22 Q BY MR. HARRIS: Showing you exhibit 56,
23 Mr. Armstrong, do you recognize that from your archives?

24 A It may be, but I don't recognize it from the
25 archives.

26 Q Do you recognize that as an item that you sent
27 to Mr. Garrison?

28 A Again, it may be. It may be amongst various

1 manuscripts. But I don't at this point recollect it.

2 MR. HARRIS: I have a two-page document, Your Honor,
3 titled "The Background and Ceremonies of the Church of
4 Scientology of California Worldwide."

5 May that be marked exhibit next in order, Your
6 Honor?

7 THE COURT: 57.

8 MR. HARRIS: So Mr. Flynn can see that what I am marking
9 as 57 is a true copy out of this book -- this is the
10 original.

11 MR. FLYNN: I accept your representation, Mr. Harris.

12 Q BY MR. HARRIS: Did you have occasion while you
13 were in Scientology at any time to read the book "The Church
14 of Scientology" which contained the ceremonies of the church?

15 A I have read some materials from there.

16 Q Directing your attention --

17 I have taken the front page and page 55 from that
18 book and made it exhibit 57.

19 Directing your attention to the book, do you see
20 "A Funeral For Homo Sapiens" by "Tom Esterbrook" there?

21 A Yes.

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1 Q And in your archives, Mr. Armstrong, did
2 you have "A Funeral for Homo Sapiens" in L. Ron Hubbard's
3 handwriting?

4 A I don't know if I did or not. I don't recall
5 it if I did.

6 Q Did you see such in the Controller archives?

7 A I may have. I don't believe that it is
8 among the materials which I obtained from Controller archives.
9 I may have been shown it by Mr. Vorm, but in any case
10 it doesn't stick with me as anything of any significance.

11 MR. HARRIS: I have two documents, Your Honor,
12 the first being the Auditor Worldwide No. 13. I have
13 the original here which is a bit yellowed, and I have
14 copied from the first page on two pages.

15 May that be marked exhibit 58?

16 THE COURT: yes, it may be so marked.

17 MR. HARRIS: I also have another original Auditor
18 entitled "The Auditor Worldwide No. 13 Special Reissue."

19 May that be marked plaintiff's 59?

20 THE COURT: Very well.

21 MR. HARRIS: These are the originals, Mr. Flynn,
22 if you wish to look at them.

23 MR. HARRIS: Thank you.

24 Q BY MR. HARRIS: Do you recall seeing in
25 your archives or the Controller archives the Auditor Worldwide
26 Issue 13?

27 A I'm pretty sure I had this because I had
28 pretty well a complete set of Auditors, but it itself

1 doesn't come to mind.

2 Q Would you compare exhibits 58 and 59 under
3 the caption "A Philosophy Wins After 2000 Years" and note
4 for the record the authors on exhibit 58 first which is
5 the yellower one and exhibit 59 next?

6 A Okay.

7 Q Does it appear to be the same article under
8 the name Tom Esterbrook and L. Ron Hubbard in the respective
9 exhibits?

10 A They appear to be the same.

11 Q But in your sending exhibit 500 7F to Mr. Flynn,
12 it was to show that Mr. Hubbard was using someone to front
13 for him; right?

14 A No, you have misunderstood the use of the
15 Tom Esterbrook. It was simply to show that that was indeed
16 his pen name which he was using as opposed to the one
17 -- the letters he wrote for someone else in the organization
18 to sign. This simply showed that the other documents
19 which had been written by Tom Esterbrook, in fact had
20 been written by him.

21 Q Now, as I recall your testimony was that
22 from the documents that you had obtained for the archives,
23 Mr. Hubbard's Naval period, you could document day by
24 day if not week by week; is that correct?

25 A Well, through practically the whole of the
26 war. There may have been some small pieces where there
27 was periods missing, but generally on a pretty detailed
28 basis you could document where he was at any given time.

1 Q Did you yourself obtain documents from any
2 official agency of the United States to document day by
3 day where Mr. Hubbard was during the Second World War?

4 A No, I didn't because it looked like we had
5 everything that was within the official records, in addition
6 to whatever Mr. Hubbard had in his own archives. So,
7 between the two, it looked like we had more than what
8 I would be able to get from any other agency.

9 MR. HARRIS: May I have just a moment, Your Honor?

10 THE COURT: Yes.

11 Q BY MR. HARRIS: It was from the documents
12 that you had from the Naval area, Mr. Armstrong, that
13 you concluded that Mr. Hubbard had never been in combat;
14 is that correct?

15 A That is correct.

16 Q Were you aware that there was an agency
17 that had records on ships in the United States Navy?

18 A I imagine there is.

36-1

1 Q You didn't bother to research what that agency
2 was?

3 A No. I researched it through a number of books
4 on vessels during the war, specifically vessels on which
5 Mr. Hubbard was stationed or positioned during the war. I
6 did not go to the military authorities, however.

7 Q Mr. Armstrong, how many ships or boats was
8 Mr. Hubbard was in command of in the period of the second
9 World War?

10 THE COURT: A boat would be something you can put on
11 board a ship, according to Navy terminology.

12 Q BY MR. HARRIS: Let's take ships, given that
13 definition, Mr. Armstrong?

14 A In command of two.

15 Q What were the two?

16 A YP 422 and PC 815.

17 MR. HARRIS: Your Honor, I have a certified copy of
18 an action report in respect to the U.S.S. PC 815.

19 May that be marked Plaintiff's next in order?

20 THE COURT: 60. Okay.

21 Q BY MR. HARRIS: Directing your attention to
22 exhibit 60, Mr. Armstrong, PC 815 was one of the ships that
23 Mr. Hubbard was in command of?

24 A Yes.

25 Q And did you attempt at any time in your research
26 to find out what was at the Naval Historical Center on the
27 PC 815?

28 A No.

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1 Q But yet, you claimed in your direct examination
2 that you could document where Mr. Hubbard was on almost a
3 day-to-day basis; right?

4 A That is correct.

5 Q Now, would you, please, take a close look at
6 exhibit 60?

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1 What was the PC 815 by all your research,
2 Mr. Armstrong?

3 A It was a small patrol, coastal patrol vessel.

4 Q When you say small, did you research the
5 tonnage?

6 A I had its tonnage. I don't recall what
7 it was right now.

8 Q In fact, it was a submarine chaser; was
9 it not?

10 A I believe so, yes.

11 Q And what is a Corvette, Mr. Armstrong?

12 A A Corvette is also a similar vessel, usually
13 a designation given by the British.

14 Q And what is a squadron, Mr. Armstrong?

15 A A squadron would be a group of things.

16 Q A group of ships?

17 A It could be, yes.

18 Q From the documents that you had in the archives,
19 you also concluded that Mr. Hubbard was not the commander
20 of a squadron of Corvettes; isn't that right?

21 A That is correct.

22 Q Have you had a chance to take a look at
23 exhibit 60?

24 A Some of it, yes.

25 Q Please turn to page 4 bottom paragraph:

26 "At 1306 SC 536 was sighted."

27 What is an SC?

28 A I am not sure.

1 Q You, I take it, looked at "Jane's fighting
2 ships" to find out what the PC 815 was?

3 A Well I don't know if I looked in Jane's,
4 but I obtained information on the PC 815 in a publication
5 of some sort.

6 Q See if I can refresh your recollection.
7 Do you recall looking at Jane's at all, "Jane's fighting
8 ships 1943-44"?

9 A No, not that.

10 Q So you weren't aware that SC was a designation
11 for submarine chaser?

12 A No, I didn't. If I did know it, I don't
13 recall it now.

14 Q All right.

15 Please turn to page 10 first paragraph:

16 "It was at this time that K 33, who was
17 on the scene, gave command of all surface ships
18 to the PC 815."

19 Do you see that?

20 A Okay.

21 Q Now, if you will go through the first 10
22 pages, you can tell me if you know how many ships the
23 PC 815 was given command of in this incident?

24 THE COURT: Well, this is the report of Mr. Hubbard.
25 I suppose you mean in referring to within the report of
26 Mr. Hubbard?

27 MR. HARRIS: Yes, that is correct. With the documents
28 of the other crew members attached.

1 THE COURT: You mean including the anti-submarine
2 blimps he is referring to?

3 MR. HARRIS: No, Your Honor, not the blimps, just
4 the ships.

5 Q Maybe I can help a bit. On page
6 4, Mr. Armstrong, there is a reference to the SC 536;
7 do you see that at the bottom, last paragraph?

8 A On page 4?

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1 Q That's right.

2 A Okay.

3 Q And on page 6, the second to the last paragraph,
4 ". . .Coast Guard Patrol Boat 78302."

5 Page 7, the last five lines of the page, "SC 537.
6 SC 536."

7 Do you see that?

8 And if you turn to page 15, the second full
9 paragraph "PC 778."

10 Mr. Armstrong, you were in Washington, D.C. while
11 you were on the biography research project; were you not?

12 A No.

13 Q Did you go to Washington, D.C. during the period
14 1980 through the time you left the church?

15 A No.

16 Q May I have that?

17 A Sure.

18 Q Did you know that there was another location where
19 one could get access to records on ships in the United States
20 Navy during the second World War, Mr. Armstrong?

21 A I'm sure that there are various sources.

22 Q None of which you researched; right?

23 A Well, as I say, I went through some books on the
24 subject. But that was it. I never went to D.C. And I
25 obviously never checked the sources that whoever did this
26 research was able to check.

27 So I stand corrected.

28 Q In general, Mr. Armstrong, it is the case that

1 you didn't search out documents other than what you could
2 get from internal church sources; isn't that correct?

3 A Is that a question?

4 Q Yes.

5 A No.

6 Q You went and obtained some materials which you
7 purchased with church money to bring back from the archives
8 from outside the church; right?

9 A I did that.

10 Q What percentage of the items that you had in the
11 archives were purchased by you from outside sources?

12 A I think it was a very small percentage.

13 Q Like what, 1 percent maybe?

14 A Possibly even less.

15 Q And the rest of the items that you had in the
16 archives came from within the Scientology organization;
17 right?

18 A No.

19 Q All right. Please, tell me what the other
20 sources of documents in your archives were.

21 A There were a number of genealogy studies which
22 I did; information obtained from Utah, from Iowa, from
23 Nebraska, library research on various subjects, various books
24 checked.

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1 Q Well, for example --

2 A Court records checked in Washington, in
3 Florida, in Montana.

4 Q So you got some court records from courts
5 in those various States?

6 A Yes.

7 Q What other documents did you obtain from
8 outside the Scientology organization in connection with
9 Mr. Hubbard's biography, Mr. Armstrong?

10 A I think those are what I have told you.

11 Q And what percentage of the documents in
12 the archives were those court documents, Mr. Armstrong?

13 A Again it is a very small percentage, probably
14 equivalent to the purchased items, maybe a total of a
15 thousand pages.

16 Q What was the other ship that Mr. Hubbard
17 commanded, Mr. Armstrong?

18 A It was the YP 422.

19 MR. FLYNN: Certified documents from Naval archives,
20 Your Honor, which contain several pages involving different
21 ships. May that be marked plaintiff's next in order?

22 THE COURT: Are we up to 61?

23 MR. HARRIS: 61, yes.

24 Q The YP 422, what kind of ship was that,
25 Mr. Armstrong?

26 A The reference I have seen to it it was called
27 a heavy beam trawler.

28 Q And I take it that during the period that

1 Mr. Hubbard was in command of YP 422 you were aware of
2 what was happening in and around the Boston Harbor where
3 the YP 422 was docked; is that correct?

4 A No I don't know what you are referring to.

5 Q Well, did you read books about the Second
6 World War to see what was happening the first six months
7 of 1942 on the Northeast Coast of the United States with
8 respect to German submarines?

9 A No.

10 Q Did you look up the Donald Duck Navy?

11 A No.

12 Q Were you aware of any submarine activity
13 in the North Atlantic during that period of time, Mr.
14 Armstrong?

15 A I have heard of North Atlantic submarine
16 activity, yes.

17 Q Do you know that during the period of time
18 that Mr. Hubbard was in the Boston Harbor on the YP 422
19 that there was anti-submarine task force set up in the
20 Boston Harbor?

21 A No, I didn't know that.

22 Q Did you know that the United State Government
23 was seizing yachts for the purpose of anti-submarine warfare
24 in that period of time, Mr. Armstrong?

25 A I have heard of that, but I don't know specifically
26 in relationship to this location and this time.

27 Q Now, you testified on May 12 at page 1835,
28 Mr. Armstrong:

1 "He lost command of the first one before
2 it had ever put to sea."

3 That was your testimony; is that right?

4 A During the conversion.

5 Q Now you didn't mean, did you, Mr. Armstrong,
6 that the YP 422 was docked the whole time in the Boston
7 Harbor?

8 A I don't know if it was docked the whole
9 time. I know that it was undergoing conversion during
10 that period and it was during the conversion that Mr. Hubbard
11 lost command.

12 Q Therefore, you concluded in your opinion
13 that the ship, the YP 422, never even got under way; is
14 that correct?

15 A No, I knew that they had been in the water
16 because of some tests that they had run, but I knew that
17 he lost command during the conversion.

18 Q Let me ask you this, Mr. Armstrong. When
19 did Mr. Hubbard lose, as you say, his command of the YP
20 422?

21 A I don't recall the date at this point.
22 The correspondence on that subject is under seal here.
23 I just don't recall the date exactly.

24 Q By the way, did you attempt to interview
25 in your research anyone of the people who had been in
26 the Navy with Mr. Hubbard?

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1 A We had some notes from various people or a couple
2 of people who we had learned had been in the Navy and I tried
3 to contact them and was unsuccessful during that time.

4 Q Who were they, Mr. Armstrong?

5 A The people who -- I don't recall the names. I
6 had crew lists for his various ships. And SO-1 had noted
7 a couple of people who had written in sometime later
8 learning that this was the same L. Ron Hubbard that they had
9 been in the Navy with, had written in. And I got those --
10 the names of those people, whatever addresses or means of
11 contacting them I could. But was unsuccessful during the
12 time when I was in the -- on the archives post.

13 MR. HARRIS: Your Honor, I have a series of documents
14 which are actually kind of four parts of one item. I don't
15 know if you want it marked collectively or not -- maybe not.
16 Maybe we had better not do it that way.

17 The first one --

18 MR. FLYNN: Your Honor, I would, again, request that
19 these documents be given to me somewhat in advance. I am
20 sure that the plaintiff has known for some time that he
21 intended to use these documents.

22 MR. HARRIS: These documents, as you can see by the
23 certifications, were just very recently obtained, within the
24 last few days.

25 In respect to the other items, they were given
26 to Mr. Flynn right after the break.

27 MR. FLYNN: I'm getting them as they are being used,
28 Your Honor.

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1 THE COURT: As I have indicated before, there was an
2 order that they were to be given to the defense counsel
3 forthwith. I assume that they didn't exist at that time or
4 you didn't have your hands on them and you would deliver them
5 as soon as you did get them.

6 MR. HARRIS: As Your Honor sees from the certification
7 of those, one was on the 16th and it has got to come from
8 Washington to here. And on that, I saw it for the first time
9 yesterday. And the same thing with the other item,
10 yesterday.

11 THE COURT: All right.

12 MR. HARRIS: May I have just a moment to get these in
13 order, Your Honor?

14 THE COURT: Yes.

15 MR. HARRIS: I have a document which is entitled
16 "Duplicate of No. 175."

17 May that be marked Plaintiff's next in order,
18 Your Honor?

19 THE COURT: 62.

20 MR. HARRIS: And the next one entitled "LRH Journal";
21 may that be marked exhibit 63, Your Honor?

22 THE COURT: Yes.

23 Q BY MR. HARRIS: Showing you exhibit 62,
24 Mr. Armstrong, do you recognize that?

25 A Yes.

26 Q That was something that was in your archives?

27 A Yes.

28 Q Is that document under seal?

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1 A I don't believe so.

2 Q I take it in your Asia period research you made
3 a chronology of where Mr. Hubbard was at various times during
4 the period 1925 through 1929?

5 A As much as possible, yes.

6 1925, I think, predates anything to do with the
7 Asia by a couple of years.

8 Q When is the first time that you discovered from
9 your documents that Mr. Hubbard had been in Asia? What
10 year?

11 A I recall 1927.

12 Q And you stated in your testimony that
13 Mr. Hubbard, despite the claim of having been in Asia
14 during a certain period, actually had only gone there once
15 on a trip with the YMCA; is that correct?

16 A Yes. The claim into Peking.

17 Q And the trip was a brief trip, perhaps on a train
18 a week or two weeks total; is that right?

19 A That is correct.

20 Q Now, the item that you have before you which is
21 exhibit 61, in what year does this appear to be a trip to
22 Asia?

23 A I think this is 1927.

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41-1
1 Q So the first paragraph of that exhibit,
2 June 13, refers to June 13, 1927; is that correct?

3 A I believe so.

4 I think we can date it with this thing,
5 but I just haven't come across a date yet.

6 Q Well --

7 A I am pretty sure it is 1927.

8 Q On the first page he leaves -- I am now
9 looking down, he is talking about being on deck to view
10 Hawaii. So I take it he is at sea at that time?

11 A Yes.

12 Q And about four paragraphs up from the bottom
13 he is leaving Honolulu.

14 A Okay.

15 Q And then the last paragraph, "Fujiyama came
16 into view."

17 That is Japan; right?

18 A Okay.

19 Q Is this the YMCA trip that you referred
20 to in your testimony, Mr. Armstrong?

21 A I don't believe this is it. That was in
22 1928.

23 Q And on the next page about mid-way, "At
24 9 o'clock the next night we reached Kobe"; Kobe being
25 in Japan?

26 A Okay.

27 Q And the next page third paragraph down,
28 "We knew when we reached the Yellow Sea." That is the
29 China area; right?

1 A Uh-huh.

2 Q And two paragraphs down there is reference
3 to Shanghai?

4 A Uh-huh.

5 Q That is China; Shanghai, China?

6 A Yes.

7 Q And the third paragraph from the bottom,
8 "We took a French car through the Bund to the Palace Hotel
9 in Shanghai."

10 Again he is still in Shanghai?

11 A Right.

12 Q And then the next page 4 fourth paragraph
13 down, "Hong Kong came next." Do you see that?

14 A Yes.

15 Q And about six paragraphs down from that,
16 "Two days later we arrived in Manila."

17 A Um-hmm. This is in 1927?

18 Q That's right, 1927. You dated it; right?

19 A That's right.

20 Q And then he arrives in the Phillipines,
21 looking at page 5; do you recognize the place there; San
22 Antonio, Guadalupe?

23 A I believe you. You can go ahead.

24 Q Well it is not me that is to be believed,
25 Mr. Armstrong. It is you.

26 A Or Mr. Hubbard.

27 Q Right, and then on the next page is Guam,
28 where he arrived in Guam?

1 A Yes.

2 Q And turning to page 10 he is weighing anchor
3 and leaving Guam?

4 A Yes.

5 Q And it is aboard the USS Nitro?

6 A Okay.

7 Q And he -- by the way, you have read this
8 before; right?

9 A Yes.

10 Q When you were in the archives?

11 A Yes.

12 Q And on page 12 he is at the Hawaiian Islands?

13 A Yes.

14 Q And finally on the last page he appears
15 to be arriving back in Washington on August 6, 1927; right?

16 A Okay.

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1 Q Now, the periods of time that he is on board
2 the ship and in Asiatic waters visiting Asiatic cities is
3 from June 30th to the time that he arrives back in the United
4 States which is August 6th; that is about two months, sir --
5 I'm sorry; a month and six days?

6 A Your statement was the amount of time he was in
7 Asiatic waters or visiting Asiatic cities.

8 Q Okay.

9 A So we would have to take off a lot of that time.
10 So I think if you go through, you'll find that, indeed, he
11 did visit -- while on board a vessel, he did go to Japan,
12 Shanghai, Hong Kong, Manila, Philippines and Guam.

13 MR. HARRIS: Showing the witness exhibit 63 --

14 Q Exhibit 63 is something that you had with you
15 in your archives?

16 A Yes.

17 Q Now, you read that at the time; is that correct?

18 A Yes.

19 Q By the way, did you put the pagination up at the
20 top right-hand side of the item?

21 A I am not following which pagination you are
22 talking about.

23 Q There appears to be some -- like 25, 29, 31.

24 A No. My cover note here explains how that is the
25 case.

26 Q That was written by you?

27 A Yes.

28 Q Do you recognize the writing as that of

1 Mr. Hubbard?

2 A Yes.

3 Q And can you indicate that for the court.

4 A As well as I could there.

5 Q 1928?

6 A 1928, 1930.

7 Q So would you look at what is paginated 61 up at
8 the top with an actual like a mechanical number; ". . .I have
9 been back in the States nearly a year."

10 That was correct, according to exhibit 62; in
11 other words, this followed exhibit 62 in the archives?

12 A It -- it very easily may have. I think the
13 Vigilante Day incident did occur in 1928. I am not
14 completely certain of that, but that is my best
15 recollection at this time.

16 I would have been able to date it better at
17 the time. And that is probably why I said that this was
18 written between 1928 and 1930.

19 Q And on page 67 it appears that he is leaving
20 for Guam on the 1st of July aboard the Henderson; is that
21 correct?

22 A Yes.

23 Q And you had a driver's license in your archives
24 which Mr. Hubbard obtained on the Island of Guam; did you
25 not?

26 A I may have.

27 MR. HARRIS: I have what appears to be a Naval
28 Government of Guam driver's license, Your Honor, issued to

1 L.R. Hubbard.

2 May that be marked Plaintiff's 64?

3 THE COURT: Very well. 64.

4 Q BY MR. HARRIS: Let me see if exhibit 64
5 refreshes your recollection as to whether Mr. Hubbard
6 received a driver's license in Guam around July 31st, 1928.

7 A Okay.

8 Q Now, we have him in Guam on the 31st of July,
9 1928; is this the boy scout trip you referred to -- strike
10 that -- the YMCA trip that you referred to in your testimony
11 on direct examination, Mr. Armstrong?

12 A Is what, this license?

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1 Q No. The trip where he is in Guam on July
2 31, 1928.

3 A No, I am referring to, I believe, a later
4 period or some time around then when he visited China.
5 It was in Mainland China, not a coast city, and it had
6 to do with a trip to the Great Wall, and it was a YMCA
7 tour in conjunction with the Navy or the Military.

8 Q Did you make a time track in writing up
9 Mr. Hubbard's travels as noted in exhibit 62?

10 A This is a time track.

11 Q That is what you mean by a time track?

12 A Well, this one follows on in some cases
13 a daily basis throughout that period. This is a pretty
14 good time track.

15 Q So we can speed this up tomorrow, it being
16 almost 4 o'clock, Mr. Armstrong, would you please look
17 through exhibits 62 and 63 over the break, and I will
18 give you one more which will be, if the court please,
19 64 -- 65 which I will give you now because I will be asking
20 you some questions about it tomorrow.

21 May we break now, Your Honor?

22 THE COURT: Okay. We will take our recess.

23 MR. LITT: Your Honor, before we break, there is
24 one matter I'd like to inquire about.

25 Mr. Flynn has indicated to me his intetion
26 to call Mrs. Hubbard next as a witness, and we would appreciate
27 if the court could require some parameters as to what
28 the scope of her intended testimony is going to be. I

1 have no idea of what subject matters.

2 I don't know whether or not it is Mr. Flynn's
3 intention to inquire concerning your knowledge of her
4 husband's biographical history or exactly what.

5 The only relevant testimony that I could
6 see is if they are going to ask her about the privacy
7 of the documents, but I think it would be helpful if we
8 could have some idea of what the court is going to allow
9 by way of examination of her at this point in terms of
10 scope.

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1 THE COURT: Well, what do you have in mind, Mr. Flynn?

2 MR. FLYNN: I'm not sure, Your Honor. We are the
3 defense. And Mr. Armstrong has been cross-examined now for
4 four days and -- four and a half days, whatever it is --
5 three and a half days. And I don't expect it will be very
6 long.

7 There are a few areas that I will probably inquire
8 into, but I haven't worked out my examination completely
9 yet.

10 MR. HARRIS: Also, Your Honor, Mr. Flynn has subpoenaed
11 Mr. Sandy Block of the church, Lymon Spurlock. I mean there
12 is a whole string of witnesses plus he has promised Laurel
13 Sullivan and who knows who else. And Laurel Sullivan, I
14 understand, has to do with the MCCS stuff. But I mean how
15 long a defense and what is the relevance? And is there an
16 offer of proof?

17 MR. FLYNN: I'm going to try --

18 THE COURT: I am not going to get involved in that at
19 this time. He is conducting his defense. I'll worry about
20 it in due course.

21 We have had this one witness on the stand now
22 for virtually two weeks. And I don't see that it is getting
23 close to being concluded.

24 MR. HARRIS: It is getting close, Your Honor.

25 THE COURT: There will be redirect and recross-
26 examination. We have a ways to go.

27 MR. FLYNN: I notified Mr. Litt that Mary Sue Hubbard
28 is my next witness and then Laurel Sullivan.

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We'll make every effort we can to narrow it
and end this trial. But the court basically has the
picture.

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1 MR. LITT: Your Honor, one other matter. We still
2 have this pending issue of Mr. Franks. We discussed the
3 question of having his deposition taken prior to his testimony
4 and we would like to make some arrangements in that regard
5 if it is going to happen.

6 MR. FLYNN: Maybe they can stipulate to it, Your
7 Honor. At this point it would be to confirm that he was
8 locked up for three weeks in November 1981, and he had
9 to sign an undated letter of resignation that was given
10 to Mr. Hubbard when he became the highest official of
11 the Church of Scientology in 1980 and 1981. Basically
12 those two items.

13 THE COURT: Well, at least you know what he has
14 in mind.

15 (At 4:03 p.m. the proceedings were adjourned
16 until Tuesday, May 22, 1984 at 9:00 a.m.)
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